

THE COMPETITION BETWEEN THE EUROPEAN UNION AND THE RUSSIAN  
FEDERATION OVER THE SOUTH CAUCASUS AND ITS IMPLICATIONS

A THESIS SUBMITTED TO  
THE GRADUATE SCHOOL OF SOCIAL SCIENCE  
OF  
MIDDLE EAST TECHNICAL UNIVERSITY

BY

IBRAHIM MURADOV

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS  
FOR  
THE DEGREE OF MASTER OF SCIENCE  
IN  
THE PROGRAM OF EURASIAN STUDIES

JULY 2015

Approval of the Graduate School of Social Sciences

---

Prof. Dr. Meliha Benli Altunışık  
Director

I certify that this thesis satisfies all the requirements as a thesis for the degree of Master of Science.

---

Assoc. Prof. Dr. Pınar Akçalı  
Head of Department

This is to certify that we have read this thesis and that in our opinion it is fully adequate, in scope and quality, as a thesis for the degree of Master of Science.

---

Assist. Prof. Dr. Işık Kuşçu Bonnenfant  
Supervisor

**Examining Committee Members**

Prof. Dr. Ayşegül Aydıngün	(METU, SOC)	<hr/>
Assist. Prof. Dr. Işık Kuşçu Bonnenfant	(METU, IR)	<hr/>
Assist. Prof. Dr. Bayram Sinkaya	(YBÜ, IR)	<hr/>

**I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.**

Name, Last name : İBRAHİM MURADOV

Signature :

## **ABSTRACT**

### **THE COMPETITION BETWEEN THE EUROPEAN UNION AND THE RUSSIAN FEDERATION OVER THE SOUTH CAUCASUS AND ITS IMPLICATIONS**

**MURADOV, Ibrahim**

**M.A., Eurasian Studies**

**Supervisor: Assist. Prof. Dr. Işık Kuşçu Bonnenfant**

**Co-Advisor: Prof. Dr. Ayşe Pamir Dietrich**

**July 2015, 120 pages**

The South Caucasus is a strategic region both for the European Union and the Russian Federation. Each of these actors has developed different policies towards the region in order to achieve their interests. The EU's energy diversification and security policies prioritize closer cooperation with the South Caucasian republics. Apart from this, the region may serve as a gate opening to Central Asia and therefore may allow the access of the EU to the whole Asian market. Keeping the South Caucasian countries in its sphere of influence is a vital need for Russia to maintain its hegemony in the post-Soviet countries. Besides this, the EU's energy policies in the region undermine the Russian monopoly in the energy sector in Europe. In contrast, the South Caucasian countries are also analyzing the pros and cons of the EU's as well as the RF's policies. They formulate their policies towards the EU and the RF on the basis of their maximum potential gain. This thesis aims to answer the following questions: Why does the EU and Russia compete over the South Caucasus? Why is the region vital for these two actors? What interests lead them to develop such policies towards the region? What are the responses of Armenia, Azerbaijan and Georgia towards the involvement of the European Union and Russian Federation with the region?

**Keywords:** European Union, Russian Federation, South Caucasus, Interest, competition.

## Öz

### AVRUPA BİRLİĞİ VE RUSYA FEDERASYONU'NUN GÜNEY KAFKASYA ÜZERİNDEKİ REKABETİ VE BUNUN YANSIMALARI

Muradov, İbrahim

Yüksek Lisans, Avrasya Çalışmaları

Tez Danışmanı: Yrd. Doç. Dr. Işık Kuşçu Bonnenfant

Ortak Tez Danışmanı: Prof. Dr. Ayşe Pamir Dietrich

Temmuz 2015, 120 sayfa

Avrupa Birliği ve Rusya Federasyonu için Güney Kafkasya stratejik öneme sahip bölgelerden biridir. Her iki aktör de, kendi çıkarları doğrultusunda Güney Kafkasya'da farklı politikalar uygulamaktadırlar. Enerji çeşitliliği ve güvenlik politikaları AB'yi Güney Kafkasya cumhuriyetleri ile işbirliği yapmaya itmektir. Ayrıca, bu bölge, AB'nin Orta Asya'ya açılması için bir kapı görevi görüp, AB'nin Asya pazarlarına ulaşmasında önemli rol oynamaktadır. Öte yandan, Güney Kafkasya ülkelerini kendi etki alanında tutmak, Rusya'nın eski Sovyetler Birliği ülkeleri üzerindeki hâkimiyetini sürdürmesi için hayati öneme sahiptir. Bununla birlikte, AB'nin bölgedeki enerji politikaları, Rusya'nın Avrupa'daki enerji tekeli tehlikeye atmaktadır. Buna karşın, bölge ülkeleri AB ve Rusya'nın bölgedeki tutumlarına karşı kendi çıkarlarını ön planda tutarak politika geliştirmektedir. Bu tez aşağıdaki sorunsalları yanıtlamaya yöneliktir: AB ve Rusya neden Güney Kafkasya üzerinde rekabet etmektedirler? Bölge bu iki aktör açısından neden önem arz etmektedir? Onları bu tür politikalar geliştirmeye iten çıkarlar nelerdir? Azerbaycan, Ermenistan ve Gürcistan AB ve RF'nin bölgedeki tutumlarına karşılık ne tür politikalar geliştirmektedir?

Anahtar Kelimeler: Avrupa Birliği, Rusya Federasyonu, Güney Kafkasya, Çıkar, Rekabet.

***To My Parents***

***Yasin Muradov & Gülyeter Muradova***

## **ACKNOWLEDGMENTS**

The Greatest applause goes to my respected supervisors Assistant Professor Işık Kuşçu Bonnenfant and Professor Ayşe Pamir Dietrich. My dear mentors! This was the motivation I got from you which made me able to finish my Master degree thesis even before the stipulated time period. The constant feedback and guidance I received from you throughout the period that I was working on this piece of writing, is absolutely remarkable and invaluable. I will always remember you in my well wishes.

After my supervisors I must show my deepest gratitude to my companion Hazal Taş who always supported me during the days I was at my worst. Last but not the least I will never forget how much I owe to my friend Uzair Hashmi who helped me so much during the process of writing this thesis.

## TABLE OF CONTENTS

PLAGIARISM.....	iii
ABSTRACT .....	iv
ÖZ.....	v
DEDICATION .....	vi
LIST OF ABBREVIATIONS.....	x
CHAPTER	
1. Introduction .....	1
2. Historical Background .....	7
2.1 Russian Influence in the Region.....	7
2.1.1 Tsarist Era.....	7
2.1.2 Soviet Period .....	10
2.1.3 Post-Soviet Russia .....	14
2.2 The Western Interests in the Region.....	19
2.2.1 Western Involvement in the South Caucasus before the Soviet Union ....	19
2.2.2 The Collapse of the Soviet Union.....	21
2.2.3 Energy Resources .....	24
2.2.4 Geographical Importance of the Region.....	25
3. The Competing Interests of Russia and the EU in the South Caucasus in Post-Soviet Period .....	27
3.1 Russian Interests in the South Caucasus .....	27
3.1.1 Azerbaijan's Natural Resources .....	27
3.1.2 Russian Interests in Georgia .....	30
3.1.3 Russian Interests in Armenia .....	32
3.2 The EU's Interests in the South Caucasus .....	34
3.2.1 Why Azerbaijan Matter for the EU? .....	35
3.2.2 Georgia as the Closest Ally of the EU in the Region .....	37
3.2.3 The EU's Interests in Armenia.....	38
3.3 Hegemonic Competition between External Actors in the South Caucasus .....	41



3.3.1 Russia as a Hegemonic Actor .....	41
3.3.2 The EU Competing with Russia over the South Caucasus .....	42
3.3.3 The USA's Policies in the Region.....	43
3.3.4 Turkey's Interest in the South Caucasus.....	44
3.3.5 Iran's Relations with the South Caucasus.....	46
4. The Policies of Russia and the EU over the South Caucasus .....	49
4.1 Russian Policies in the South Caucasus .....	49
4.1.1 Armenia.....	50
4.1.2 Azerbaijan .....	52
4.1.3 Georgia.....	57
4.2 The EU's Policies in the South Caucasus .....	60
4.2.1 The European Neighborhood Policy .....	61
4.2.2 The Eastern Partnership and the South Caucasian Republics .....	64
4.2.2.1 The EaP in Practice .....	65
4.2.2.2 The EU's Relations with Armenia within the EaP Context .....	68
4.2.2.3 The EU's Relations with Azerbaijan within the EaP Context .....	70
4.2.2.4 The EU's Relations with Georgia within the EaP Context .....	72
4.2.2.5 Russia's reaction to the EU's Eastern Partnership Program .....	73
5. Dominant Perceptions of the South Caucasian Countries towards the EU and the RF in Comparison .....	76
5.1 Armenia's Pro-Russian Approach .....	76
5.2 Azerbaijan's Approach.....	81
5.3 Georgia's Pro-Western Approach.....	90
6. Conclusion.....	96
Reference List.....	100
APPENDICES .....	113
A. TURKISH SUMMARY.....	113
A. TEZ FOTOKOPİSİ İZİN FORMU .....	120

## **LIST OF ABBREVIATIONS**

AA	Association Agreements
AIOC	Azerbaijan International Operating Company
APF	Azerbaijan Popular Front
ASSR	Azerbaijan Soviet Socialist Republic
BP	British Petroleum
BSEC	Black Sea Economic Cooperation
BTC	Baku-Tbilisi-Ceyhan Pipeline
BTE	Baku-Tbilisi-Erzurum Pipeline
CIS	Commonwealth of Independent States
CRRF	Collective Rapid Reaction Force
CSTO	Collective Security Treaty Organization
DCFTA	Deep and Comprehensive Free Trade Areas
ECHO	European Commission Humanitarian Office
EEU	Eurasian Economic Union
ENP	European Neighborhood Policy
EU	European Union
FSU	Former Soviet Union
GDP	Gross Domestic Product
GUAM	Georgia Ukraine Azerbaijan Moldova
IMF	International Monetary Fond

NATO	North Atlantic Treaty Organization
NIS	Newly Independent States
OSCE	Organization for Security and Cooperation in Europe
PACE	Council of Europe Parliamentary Assembly
PCA	Partnership and Cooperation Agreements
PfP	Partnership for Peace
RF	Russian Federation
SES	Single Economic Space
SMP	Strategic Modernization Partnership
SOCAR	State Oil Company of the Azerbaijan Republic
TACIS	Technical Assistance to the Community of Independent States
TANAP	Trans-Anatolian Pipeline
TAP	Trans-Adriatic Pipeline
TRACECA	Transport Corridor Europe-Caucasus-Asia
USA	United States of America
USD	United States Dollar
USSR	The Union of Soviet Socialist Republics

## **1. Introduction**

After the collapse of the Soviet Union the South Caucasian republics, Armenia, Azerbaijan and Georgia, became a competing ground between the European Union (EU) and the Russian Federation (RF). These two actors did not welcome each other's policies and actions towards the South Caucasian republics. Compared to Russia, the EU is a new external power in the region and its involvement with the three countries of the South Caucasus is not conducive for the realization of Russia's goals. The clash of interests between the Russian Federation and the European Union in the region escalate each year and neither the RF nor the EU is ready to give up the competition over the South Caucasus. This thesis aims to explore the reasons and motivations of these two major powers for establishing dominance over the South Caucasus. I will analyze these factors from a historical perspective in order to give a more complete picture. As the South Caucasian republics are not passive actors and have varied foreign policy options towards these two actors, I will also analyze the dominant policies and stances in Georgia, Armenia and Azerbaijan vis-à-vis the RF and the EU.

The South Caucasus is situated in a very crucial zone, which connects Europe with Central Asia from west to east while connecting Russia with the Middle East from north to south. This region has always been a competition ground for external powers throughout the history. The region's significance was known to external powers even before the independence of the South Caucasian countries in 1991. Throughout the history there were different times when the Western powers and Russia had the upper hand in the region. For example the Soviet period was the period in which Moscow had the ultimate control over the region. After a short-lived independence period between 1918 and 1921, the countries of the region became a part of the Soviet Union. This was a period of the weakest relations between the South Caucasus and the West because of the dominance of Moscow in the region. Since Moscow had absolute influence in the South Caucasus under the

Soviet rule, the countries in this region were not independent in developing relations with external actors while Moscow was regulating their affairs in almost every field.

Indeed the Western influence was limited as opposed to Russia throughout most of the history of the South Caucasus. In the Tsarist period while the relations were very limited, Western involvement increased by the end of First World War. When Bolsheviks succeeded in the communist revolution in 1917, they announced that they would withdraw from the World War I, a decision, which was unexpected. The geopolitical importance of the region and Baku's rich oil reserves attracted a major European power, Britain to the South Caucasus after the War. As a result of the ongoing Civil War between the Bolsheviks and Mensheviks Moscow's influence was limited in the region during the short-lived independence period of the South Caucasian republics. When Bolsheviks finally defeated all opposition groups, Moscow came back to reinforce its influence in the South Caucasus, hence ending the British influence in the region.

Historically Russia was a major power with serious influence in the region. The Caucasus region was a buffer zone between the Tsarist Russia and the Persian Empire. On this territory many wars were fought between the two big powers until the Turkmanchai Treaty in 1828, which clearly delineated the borders between the two empires. Along with this treaty Persian Empire lost territories in the Caucasus. While the major ethnic groups in the South Caucasus declared independence after the collapse of the Tsarist Russia, its northern part could not escape from the influence of Moscow. Yet this period of independence did not last long.

The independence of the South Caucasian countries came with the collapse of the Soviet Union in 1991. These countries regained their sovereignty while a new political order was in the process of formation in the region. In the initial years after the Soviet collapse, Russia was more cooperative with the Western World. Along with the domestic economic crisis Russian authority decreased in the South Caucasus. In this period for the EU this region's importance was becoming a reality

and the EU started to design policies to make the countries of the region as potential partners. Apart from external actors, the relations of the South Caucasian countries with each other as well as the territorial conflicts created a complex situation in the region. Newly independent countries like Azerbaijan and Armenia found themselves at war which continued till the 1994 when a ceasefire agreement was signed. This war is still the main vector for the foreign policy formulation of Azerbaijan as well as Armenia. On the other hand, Georgia faced with ethnic conflicts. After the independence of the country, such ethnic conflicts led Georgia to follow different foreign policy formulations than Armenia and Azerbaijan.

The main competition between the EU and the RF in the South Caucasus has been over economic and geostrategic interests. The EU is striving to achieve access to the region while Russia is not ready to compromise its historical hegemony in the South Caucasus. The EU has well defined policies on the South Caucasus aiming to keep the countries of the region in the EU's political and economic orbit. The primary goal of the EU is to formulate policies to improve closer ties with these republics that are based on economic cooperation. The EU is also interested in promoting values such as 'democracy', 'human rights' and 'good governance' in the region. In contrast Russia has different devices to manipulate the internal and external affairs of these countries. A major factor making Russia different from the EU is the presence of the Russian military troops, which can be used in any 'necessary time'. The military forces of Russia exists both in Armenia with the country's willingness to have them as well as in Georgia in the breakaway territories. In Azerbaijan however there is no presence of the Russian troops. Besides, Russia is involved in almost all the conflicts in the region and uses this card as a main 'excuse' to keep the countries in its influence.

While the competition between the European Union and the Russian Federation in the region is obvious, these actors' policies vary in nature towards each of the country in the region. Also the South Caucasian republics' response to the policies of Russia and the EU differ as well. Armenia has a more pro-Russian stance as it's

more dependent on Russia economically and militarily. The Armenian-Russian relations grew even more after Armenia joined the Russia-led Eurasian Economic Union. All these developments make the integration of Armenia with the EU to Armenia weaker. A stronger rivalry between Russia and the EU over the South Caucasus may harm Armenian national interests as under such circumstances Armenia will need to choose one between Russia and the EU. It is more probable that the country will tilt towards Russia and therefore need to abandon the benefits that are receiving from the EU. The case of Azerbaijan is different from Armenia in this competition between the EU and Russia. Azerbaijan follows a balanced foreign policy since the period of Heydar Aliyev. Therefore, improving relations with the EU does not necessarily mean harming its relations with Russia from Azerbaijan's point of view. Especially in energy sector, Azerbaijan is eager to cooperate with the EU. However, in the case of democracy and human rights, Azerbaijan's government demands more time from the Union to improve in these areas. The government of Azerbaijan wants to see the EU and Russia in competition but on a limited level. The Georgian foreign policy direction has become increasingly more pro-Western particularly after the Rose Revolution of 2003. Georgia benefits from increased competition between the EU and Russia as the country expects such competition would lead to a faster integration process with the EU. Georgia has been the strongest ally of the EU and its main supporter in the region.

Throughout this thesis, I used certain key notions of international relations (IR) such as 'hegemony' and 'interest'. There is certainly no single definition of these notions that is agreed on by everyone. Even among the IR scholars there is no unique explanation for these concepts. Besides mainstream IR theories and their emphasis on these concepts vary. I will briefly explain below how I used these concepts throughout this study.

I used the concept of hegemony to emphasize the EU's and the RF's rivalry over the South Caucasus in order to gain more advantages in the region. According to the mainstream IR theories, 'hegemony' underlines a situation in which an international

actor dominates the international system and there is no equilibrium in this system. There are many factors, which make a state hegemonic power among the others such as geographic conditions, possessing natural resources, developed industry and having strong military and economic capacity.<sup>1</sup> An international system, which brings certain advantages to only one or a group of actors, can be defined as a hegemonic context as well. In such a system, despite having *de jure* freedom most of the other actors *de facto* lose their freedom.<sup>2</sup> By using 'hegemony' I did not refer only one aspect of the concept but I included mainly military and economic aspects of the concept 'hegemony'.

Another notion, which I frequently used in my thesis, is 'interest'. Although the concept 'interest' is used frequently by many politicians and scholars alike, it is also not defined clearly and still open to discussion among the IR researchers. In this case, James N. Rosenau explains how this notion developed among the analysts of IR. According to him, after the implications of the Second World War on masses around the world, national interests or interest of states emerged as a concept to define the foreign policies of states'.<sup>3</sup> By using the concept of interests for certain states in my thesis I meant to underline 'national interest' of those states. It is not easy to delineate a given country's interests clearly. This is particularly the case for an entity like the European Union, which is formed of many states with diverse interests. I will use this concept throughout the thesis to describe the expected benefits of a state in cultural, political or economic terms as examined by analysts of IR in order to understand behavior of international actors.

---

<sup>1</sup>Andreas Antoniadou, "From 'Theories of Hegemony' to 'Hegemony Analysis' In International Relations," 49<sup>th</sup> ISA Annual Convention (2008): 3, accessed July 28, 2015, [http://sro.sussex.ac.uk/2175/1/Hegemony\\_in\\_International\\_Relations\\_AA\\_ISA\\_\(2\).pdf](http://sro.sussex.ac.uk/2175/1/Hegemony_in_International_Relations_AA_ISA_(2).pdf)

<sup>2</sup>Adam Watson, "International Relations & The Practice Of Hegemony," *University of Westminster* (2002):1, accessed July 29, 2015, <http://www.polis.leeds.ac.uk/assets/files/research/english-school/watson-hegemony02.pdf>

<sup>3</sup>Scott Burchill, *The National Interest in International Relations Theory* (New York: Palgrave Macmillan, 2005), 29.



This thesis consists of six chapters: After the first introductory chapter, the EU's and Russia's historical involvement with the South Caucasus will be discussed in detail in the second chapter. In the third chapter, the main interests of the EU and Russia over the region will be analyzed in comparison. In the fourth chapter, the policies of these actors in the South Caucasus will be analyzed extensively. In the fifth chapter, I will explore the dominant perspectives in the regional countries regarding the competition between the EU and Russia in the region. The last chapter will conclude the analysis of the current competition with future prospects.

While writing this thesis, I made use of academic sources such as books and articles as well as newspaper articles discussing the issue under analysis. While the secondary sources form the major part of the bibliography, I also used original sources to the extent that was possible. I used mainly local sources of information such as Armenia Now, Verelq, European friend of Armenia, Georgian Foundation for Strategic and International Studies, Radio Free Europe & Radio Liberty, Azerbaijan.az, Vision of Azerbaijan, President of Russia, and such. My participant observations and interviews with scholars in Azerbaijan led me to contextualize the issue better. Public opinion polls conducted in Georgia, Armenia and Azerbaijan had been useful tools for me to understand the dominant perspectives in these countries vis-à-vis Russia and the EU and future prospects for the region.

## **1. Historical Background**

### **2.1 Russian Influence in the Region**

#### **2.1.1 Tsarist Era**

Although the Ottoman Empire was at the peak of its power in the seventeenth century, the world had already started to change as of the fifteenth century. A new geopolitical reality was emerging. Major empires such as the Ottoman Empire started to remain behind Europe in terms of developments in science and technology. The Russian Empire was in transition in this period. The main aim of the Empire's strong ruler, Peter the Great was making Russia one of the most influential powers in Europe in 17<sup>th</sup> century. In order to achieve this, he reformed many things in the empire such as cultural reformation which replaced traditionalist culture or scientific revolution based on the Enlightenment. When we compare the two empires (the Ottoman and the Tsarist) in this time period, we observe that the Ottoman Empire did not feel the need to initiate reforms at the time as it was a major power in the European system; whereas Tsarist Russian empire was striving to become one therefore needed to carry out major reforms.

Along with such reforms, the Tsarist Empire felt the need to expand its territories as the strategic position of Moscow did not have much significance during this time. However it was not clear in which direction the Empire should extend its territory and how? The emerging powers of Europe were using sea routes to reach new lands and naval forces to colonize new territories. Therefore it became an imperative for the Tsarist Russia to reach warm waters for strengthening the empire.

While the Tsarist Russia was increasing its power and expanding its territories, the Ottoman and Safavid empires were losing their hegemony and territories in the eighteenth century. The Ottomans were shrinking as a result of emerging nationalism in Europe as well as due to wars with Tsarist Russia. In the Safavid Empire on the other hand, the situation got worst and the empire collapsed after the death of

Nadir Shah in 1747. In the South Caucasus many new khanates emerged in the Caucasus. This would later make it relatively easy to gain the control of the region for the Tsarist Empire. In some cases these local kings cooperated with Russia against the Ottomans and Safavids. For example in Georgia, local kings were having a difficult time to fend off the Persians and the Ottoman Empire. For that reason the king of Kartli-Kakheti (Erekle II) asked for Russian help for protection in 1783. He accepted Russian vassalage in order to guarantee his kingdom's borders. However, after his death, Russia annexed the east of Georgian kingdom to its territory in 1801.<sup>4</sup>

The Tsarist Russia had many interests in the South Caucasus such as trade or colonization, but none of these were comparable to the strategic considerations. The region could have been a base for the empire to extend its territory to southward. Furthermore, it would be a sort of buffer zone against its southern enemies, the Ottoman Empire and the Persian Empire.<sup>5</sup> In South Caucasus the serious influence of Tsarist Russia was started in 1804. While the Russians were consolidating their power in western Georgia, they were also attacking the Persian vassal khanates of Azerbaijan and eastern Armenia. One of the main Khanate Ganja was taken in 1804; Shirvan, Shaki and Karabakh occupied in 1805 and Baku, Quba and Darband were subdued the following year. In 1806, the Ottoman Empire declared war against Russia. However they experienced many setbacks and in 1812 had to sign the Bucharest Treaty, recognizing Georgia, Imereti, Samegrelo and Abkhazia as Russian territory<sup>6</sup>. When Russian forces reached Lankaran, the Safavid Shah had to sign up a peace treaty, The Treaty of Gulistan, in 1813. However another war took place between Tsarist Russia and Persia which lasted from 1826 to 1828. The result of the war was worst for Shah Fath-Ali; he lost more territory

---

<sup>4</sup>Margaret Kaeter, *Nations in Transition: The Caucasian Republics*, (New York: Facts On File, 2004), 17.

<sup>5</sup>Ibid.

<sup>6</sup>Frederik Coene, *The Caucasus: An introduction*, (New York: Routledge, 2010), 125.

(Yerevan and Nakhcivan) this time as a result of the Treaty of Turkmanchai.<sup>7</sup> As a result of this treaty, the Araxes River became new border between those two empires and the Azerbaijani Turks were now divided into two empires.<sup>8</sup>

The occupation of the South Caucasus by Tsarist Empire affected the communities; especially Russian attitudes caused different reactions on each ethnic group in the region. After the occupation of Georgia, Tsarist Russia started to build factories to increase the agricultural output in the territory. By the year 1900 nearly 60 percent of the Georgian lands were owned by Russians. The rising middle class of Armenians were earning profit through trade. This situation led to the feeling of exploitation among Georgian and therefore it became the reason for increasing national consciousness among the Georgians.<sup>9</sup> The situation was different in Armenia. Russia favored the Armenians much of the time yet through increasing education Armenians started to develop national consciousness. At the beginning of the eighteenth century, there was little awareness of national identity in Azerbaijan.<sup>10</sup> Baku was a fast developing industrial city. While Russians exploited the natural resources in Baku, Azerbaijanis remained poor in their own country.<sup>11</sup>

During the Russian Civil War, the influence of Russia decreased in the South Caucasus and the desire of independence strengthened in the region. Three Democratic Republics emerged in May 1918. Georgia was the first country, which became independent in the South Caucasus on May 26, 1918. Armenia and Azerbaijan declared independence on the same day, on May 28, 1918. The independence of these states could not last long because of the threats from the

---

<sup>7</sup>James Forsyth, *The Caucasus, A History*, (Cambridge: CambridgeUniversity Press, 2013), 276.

<sup>8</sup>Svante E. Cornell, *Small Nations and Great Powers*,(London: Taylor & Francis, 2005), accessed march 10, 2015, [https://is.muni.cz/el/1423/podzim2012/MVZ208/um/35586974/Small\\_Nations\\_and\\_Great\\_Powers\\_A\\_Study\\_of\\_Ethnopolitical\\_Conflict\\_in\\_the\\_Caucasus\\_.pdf](https://is.muni.cz/el/1423/podzim2012/MVZ208/um/35586974/Small_Nations_and_Great_Powers_A_Study_of_Ethnopolitical_Conflict_in_the_Caucasus_.pdf)

<sup>9</sup>Kaeter, *Nations In Transition: The Caucasian Republics*,19.

<sup>10</sup>Forsyth, *The Caucasus, AHistory*, 307.

<sup>11</sup>Kaeter, *Nations in Transition: The Caucasian Republics*, 22.

north. However, the meaning of this brief sovereignty was enormous for the region. For instance, the Azerbaijan Democratic Republic was the first parliamentary republic among the whole Muslim world. Although the strategically important South Caucasian territories were soon to be re-occupied by Bolsheviks, the short independence period remains as a valuable part of their history.<sup>12</sup>

### **2.1.2 Soviet Period**

After this short time of independence, The Bolsheviks got control of the Southern Caucasus started in 1920 and 1921, which lasted for seventy years. Although these countries were free and they could get independent whenever they wanted according to the USSR constitution, this was not true in reality. These countries were forcefully became a part of the Tsarist Empire and the Soviet Union. They knew that Moscow would govern them and they would remain as a periphery in the eyes of Russians.

After the withdrawal of the Ottomans by the end of 1918, the Azerbaijani Musavat party devoted considerable resources to generate a new national army in Azerbaijan. However, Halil Pasha who was the spokesman of Mustafa Kemal in the region eventually signed in a resolution in April 1920 supporting the pro-Bolshevik Azerbaijani government. This measure was taken to get Bolshevik support against the Western coalition; this move was the need of the hour during the initial days of independence of Turkey. In addition, when the sides became clearer in the Civil War, Bolsheviks started to support their envoys in the South Caucasus. For instance, the Communist Party of Azerbaijan received substantial financial (50 million rubles) and material (1,200 rifles) support from the Bolsheviks.<sup>13</sup> As a result of these developments, Azerbaijani Democratic Republic was very short-lived, only lasting 23 months, which ended with Bolshevik invasion.

---

<sup>12</sup>Charles King, *The Ghost Of Freedom*, (New York: Oxford University Press, 2008), 161.

<sup>13</sup>Alex Marshall, *The Caucasus Under Soviet Rule*,(New York: Routledge, 2010), 140.

Armenia was relatively more difficult than Azerbaijan for Bolsheviks to influence because of Dashnaks. However, eventually the government of Armenia resigned on December 3, 1920 and became one of the Soviet republics. The situation was more complicated in Georgia because of ethnic conflicts. Moreover after the annexation of the two South Caucasus Republics by Bolsheviks the next one was for sure Georgia. After many struggle against, the Georgians could not resist the Bolshevik forces. The last independent state in the South Caucasus therefore got under the control of Bolsheviks on February 1921.<sup>14</sup>

After the brief wave of independence in the South Caucasus, Joseph Stalin decided to merge these countries under the name of Transcaucasian Soviet Federative Socialist Republic in 1922. However this unification could not have been maintained because the merger had been forced. So the Transcaucasian republic was dissolved, and the countries became constituent Soviet republics in 1936.

All of these three countries suffered like the other Soviet Republics after Stalin obtained the full control of the Soviet Union in the late 1920s. He directed deportations of many people to labor camps even those who were marginally suspected of opposing the Soviet regime. In addition, the Bolsheviks also banned the literature from popular authors, controlled the works of artists and musicians, and persecuted religious leaders, all the kind of intellectual activity was banned which could cause any harm to Bolshevik rule, except the Georgian Orthodox Church<sup>15</sup> which could become the source of some nationalist movements in case it was targeted.

Paradoxically in the early years of the Soviet Union, the *korenizatsiia* (nativization) process started which was a different practice than that of the Tsarist era. The first reason for this policy was to make sure that the local nationalisms would only

---

<sup>14</sup>Ibid., 139-146.

<sup>15</sup>Kaeter, *Nations in Transition: The Caucasian Republics*, 25-26.

remain in cultural or social realms and not a political one. The second strategy was to break the bond among the Caucasian people to avoid any kind of opposition against the Bolsheviks, later during Stalin's period; the strategy was brought into action through massive deportations.<sup>16</sup>

Although we see the continuing Russian influence in the South Caucasus following the Tsarist Empire, the ruling style under the Bolsheviks was completely different from the previous one. The key difference between the Bolsheviks and Tsarist Russia was economic. They were against individualism by supporting collectivization and therefore not only elites but also the whole population especially peasants were affected when their countries were occupied.

After the annexation of Armenia, the Soviet government started to build many industries in the country to manufacture goods for other Soviet Republics however such practices led to the pollution of the land and rivers. Besides under the Soviet system, the development of agriculture was encouraged in Armenia but its long-term affect was a disaster. In order to use much land, the managers had to use large amounts of fertilizers and pesticides that eventually mixed with the drinking water. However Armenians had to wait until Gorbachev's period in order to protest such practices.<sup>17</sup>

In the initial years of the Soviet Union, the Soviet rule was considered more positively as the government of Azerbaijan supported Azerbaijanis for the top positions in the state. Furthermore, the USSR brought more industry to the country and the amount of educated people in the society tremendously increased. However, everything was not good as much as it looked. Azerbaijani nationalist elites were mostly killed or deported dramatically as with all the Soviet republics. The Soviet regime forced farmers to collectivize, bereaved their lands, state-

---

<sup>16</sup>Cornell, *Small Nations and Great Powers*, 27.

<sup>17</sup>Kaeter, *Nations in Transition: The Caucasian Republics*, 27.

operated farms. When farmers protested, they were beaten, deported, and killed for their actions. By 1940, more than 120,000 Azerbaijanis were killed in this Great Purge.<sup>18</sup>

For almost forty years, Azerbaijan served as one of the main industrial centers in the Union. Especially in the period of the Second World War, Baku's oil played significant role to win the war. However, after the discovery of the Siberian oil field, Baku lost its previous value and Moscow started to invest less in Azerbaijan. By the 1960s, Azerbaijan had the lowest rate of growth in productivity and economic output was lowest among the Soviet republics.<sup>19</sup>

After First World War, Georgian nationalist movements became stronger because of the principle of Self-Determination that they demanded their freedom and declaring independence in 1918 consolidated their national consciousness. However, like the two other South Caucasian republics, Georgia eventually came under the Bolshevik rule in 1921. The failure of the Georgian nationalist movements against the Soviet Union for regaining Georgian independence in 1924 brought frustration to Georgians who were fighting for freedom. Under *korenizatsiia*, the Soviet government supported Georgian cultural nationalism deliberately for rechanneling the political nationalism into a cultural framework.<sup>20</sup>

Although Stalin was a Georgian, the scenario would not be different in the eyes of him for Georgians. He arrested many Georgian intellectuals who were opposing the Union. Apart from this common problem, Georgia had another big problem inside the country, which were the problem of Abkhazia and South Ossetia. Abkhazia was an autonomous republic according to the Soviet Constitution. However during the

---

<sup>18</sup>Ibid., 30.

<sup>19</sup>Ibid.

<sup>20</sup>Stephen Jones, *Nationalism From Under the Ruble*, (Michigan: The University of Michigan press, 2006), 255. Accessed March 26, 2015, <http://www.press.umich.edu/pdf/0472098985-ch10.pdf>



period of Stalin, Georgians were encouraged to move to these areas. As a result of this policy, half of the population of Abkhazia became Georgians.<sup>21</sup> As a result of these policies, tensions grew increasingly between Georgians and Abkhazians.

As can be seen above, the main contours of the destiny of all the South Caucasus countries were the same during the seventy years under the Soviet rule. Each of them lost invaluable freedom and forced to become part of the Soviet Union after a brief period of independence. They finally regained their independence following the collapse of the Soviet Union.

### **2.1.3 Post-Soviet Russia**

Before starting to examine the influence of the post-Soviet Russia on the South Caucasus, I will provide brief information about the economic and political situation of the Russian Federation after the dissolution of USSR. Actually, Mikhail Gorbachev's famous policy of *perestroika* included economic transformation but he could not complete his policy and could not help with the dissolution of the Union. When Boris Yeltsin took power in Russia he saw only one option for the future of Russia, which was adopting a capitalist economic regime as the western countries.

At that time everyone had confidence about the economic transformation in Russia but transition to market economy was not an easy process. Nobody had the exact plan of action or whether transition to the market economy in short or long term. The Russian government and Central Bank working with the IMF specialists, issued a policy statement called the Memorandum of Economic Policies, which allowed for the implementation of a 'Shock Therapy' program in the country in February 1992.<sup>22</sup>

---

<sup>21</sup>Kaeter, *Nations in Transition: The Caucasian Republics*, 32.

<sup>22</sup>David M. Kotz and Fred Weir, *Russia's Path from Gorbachev to Putin: The demise of the Soviet system and the new Russia*, (New York: Routledge, 2007), 162.

As a result of such policies, the GDP shrank by 40–50 percent. By 1998 more than 30 percent of the population found itself below the poverty line.<sup>23</sup>

The Shock Therapy program as well as Yeltsin's leadership created a new class called oligarchs. The privatization only benefited to these oligarchs. In these years while Russia was busy with its domestic problems, it was slowly reestablishing its control over the former Soviet republics.

Russia established the Commonwealth of Independent States (CIS) on December 8, 1991 by Russia, Belarus and Ukraine. Except Georgia (she signed the agreement in 1993 and withdrawn in 2008), the other two South Caucasian republics joint to this organization. In the eyes of the some of the leaders of the former Soviet world, the commonwealth was a need to preserve the existing cooperation links among post-Soviet countries, especially in the economy issues. However, for Russia it was a political and economic mechanism for maintaining her dominance in the region. In other words CIS is seen by Russia as a legitimatizing tool for its influential position in the former Soviet region.<sup>24</sup> As a result, the CIS and the later Collective Security Treaty Organization (CSTO)<sup>25</sup> were to be the new instruments of Russian foreign policy with the eventual goal of having control on all former Soviet republics.<sup>26</sup>

---

<sup>23</sup>Marshall I. Goldman, *Petrostate Putin, Power, and the New Russia*, (New York: Oxford University Press, 2008), 107.

<sup>24</sup>Alexander V. Kozhemiakin and Roger E. Kanet, eds., *Russia and Its Western Neighbors in the "Near Abroad"*, (London: Macmillan Press, 1997), 27-30.

<sup>25</sup>The Collective Security Treaty Organization (CSTO) is an intergovernmental military organization. The charter of CSTO was signed by the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation and the Republic of Tajikistan on October 7, 2002 in Kishinev and came into force on September 18, 2003.

<sup>26</sup>Kavus Abushov, "Policing the near abroad: Russian foreign policy in the South Caucasus," *Australian Journal of International Affairs* (2009): 194, accessed March 28, 2015. DOI: 10.1080/10357710902895129.

The South Caucasus was already a problematic area even before the disintegration of the Soviet Union. When the union collapsed the tension in the region increased immediately. Azerbaijan found itself in a war in 1991. During that time Ayaz Mutallibov, who was a supporter of the continuation of the Soviet Union, was the head of the government but when Russia supported Armenia against Azerbaijan in the war, Mutallibov had to resign from the position and Abulfaz Elchibey who was known as a nationalist leader, was elected on June 16, 1992. Elchibey tried to cut the Russian influence through first pulling the country out of the CIS, and then Russian army withdrew from Azerbaijan.

Later though as a result of losing land towards Armenia, Elchibey had to leave his position and Heydar Aliyev, Azerbaijan's President from 1993 until his death in October 2003 (he was succeeded by his son Ilham Aliyev after) became Azerbaijan's new President. In 1994, he signed a ceasefire agreement ending the Nagorno-Karabakh conflict and gained popularity among people. Aliyev rejoined the CIS and attempted to repair country's relations with Russia. In September 1994, just a few months after the ceasefire agreement, his government signed the "Contract of the Century" expected their overall profit to be more than 80 billion USD over the next 30 years. This contract, which created the Azerbaijan International Operating Company (AIOC), gave twenty percent share to the State Oil Company of the Azerbaijan Republic (SOCAR), which together with royalties ensured Azerbaijan eighty percent of the total profits. The consortium led by British Petroleum (BP) also included companies from the United States, Russia, Japan, Norway, Turkey, and Saudi Arabia.<sup>27</sup> However, Azerbaijan's progress in this regard was not welcomed by Russia because it was against to the main Russian interests.

Georgia's nationalist movement struggled for majority ethnic power and therefore caused created several ethnic conflicts. Abkhazians and South Ossetians preferred

---

<sup>27</sup>Michael Bishku, "The South Caucasus Republics and Russia's Growing Influence: Balancing on a Tightrope," *MERIA Journal* (2011), accessed April 3, 2015, <http://www.rubincenter.org/2011/08/the-south-caucasus-republics-and-russia%E2%80%99s-growing-influence-balancing-on-a-tightrope/>.

being associated with neighboring Russia. South Ossetians are closely linked linguistically to others in the North Caucasus and that is why they wanted to be united with the Northern part in the more populated North Ossetia, which remained in the territory of Russia following the disintegration of the USSR. Abkhazians and South Ossetians constituted roughly 18 percent and 66 percent of their respective territories in 1989.<sup>28</sup>

When Georgians declared independence of Georgia after the break-up of the Soviet Union ethnic conflicts emerged in the country. At that time, supporting Georgia against Ossets would be a dilemma for Russia because Russians were supporting Ossets since the nineteenth century. Such conflicts became an excellent tool to coercively push Georgia to become a member of CIS in 1993. After Georgia's membership in the organization, the Russian troops entered the country and started peacekeeping process in the conflict zones.

Georgia had the worst relationship with Russia among all the three South Caucasian republics while having the closest ties with the West. After the Russian intervention to Georgia in 2008, Georgia pulled out from the Russian-led CIS, whose membership includes all of the post Soviet countries except for the Baltic states of Estonia, Latvia, and Lithuania. Georgia is also a member of the Black Sea Economic Cooperation (BSEC) organization that includes Turkey, Greece, Ukraine, Moldova, Albania, Serbia, Bulgaria, Armenia, Russia, Azerbaijan and Romania. Georgia applied for NATO membership but the application was rejected along with Ukraine in 2007. However, Georgia and its neighbors are members of the Western defense organization's Partnership for Peace (PfP) program.<sup>29</sup>

Armenia occupied the 20 percent of Azerbaijan's land after the war and in order to preserve this territory, the country needed Russian support not only economically

---

<sup>28</sup>Ibid.

<sup>29</sup>Ibid.

but also militarily. The first president of Armenia Levon Ter-Petrosyan perceived the country was in trouble because of the policies in Nagorno Karabakh and his personal opinion was different from that of the ministry of defense of Armenia. His priority was to make the country survive from economic crisis and he knew that fighting in Nagorno Karabakh will make economic conditions even worse in Armenia. However, his policies could not achieve much success among the people as well as the military establishment, which made him to step down from his position as president of the country.<sup>30</sup>

The tension between Turkey and Armenia further increased as a result of the conflict in Nagorno Karabakh. Turkey closed its borders with Armenia on April 1993 because of its support to Azerbaijan. The borders are still closed despite an internationally backed agreement signed by Turkey and Armenia in October 2009 to establish bilateral diplomatic relations but the parliaments of said countries did not ratify the agreement. Therefore, practically nothing has changed. The situation left Armenia's economy in bad shape and made Armenia more dependent on Russia.<sup>31</sup>

As discussed above Russia continued its influence in the South Caucasus in the post-1991 period. After Yeltsin period the policies on 'near abroad' became more pronounced with Vladimir Putin. Actually Putin had no other option but to continue exiting policies on the South Caucasus because of national interests of Russia. Putin's policies especially towards Georgia in the region got tougher in time. Russia started to support Abkhazian and South Ossetian independence not only diplomatically but also supported it through financial and military means. Russia warned Georgia not to join the NATO. All these developments happened because Georgia is a crucial country for Putin administration for keeping the South Caucasus in Russian sphere. Armenia and Azerbaijan's case is little bit different than Georgia

---

<sup>30</sup>Zbigniew K. Brzezinski, *Russia and the Commonwealth of Independent States: Documents, Data, and Analysis*, (New York: ME Sharpe, 1997), 224.

<sup>31</sup>Bishku, "The South Caucasus Republics and Russia's Growing Influence: Balancing on a Tightrope,".

because they have unresolved Nagorno Karabakh conflict and this is the only issue is enough to keep them under the Russian influence.

## **2.2 The Western Interests in the Region**

### **2.2.1 Western Involvement in the South Caucasus before the Soviet Union**

The South Caucasian states had short-lived independence in the period of 1918-1921. Those states could not become fully sovereign though, due to the presence of British forces. Although the Bolshevik Revolution ended First World War for Russians, they could not avoid from the civil war between 1917 and 1921. In order to protect the revolution, the Bolsheviks had to fight with the nationalist groups and pro-Tsarist groups in the region. From the allies' side, the withdrawal of Russia from the World War I made their job more difficult against their war with Germany and Ottoman Empire. While Tsarist troops were retreating from the Caucasus, the Ottomans saw an occasion to build an influence in the region by using an Islamic and Turkic identity.<sup>32</sup> This however was a serious threat to British interests in the region and thus caused necessary circumstances for Britain to intervene.<sup>33</sup>

After the withdrawal of the Russian troops from the Caucasus, British forces invaded parts of the region under the order of General William Thomson through Iran. Thomson's troops occupied the most strategic areas (the most important one was Batumi-Baku railway) and established military governorates in Georgia, Azerbaijan and Armenia.<sup>34</sup> Britain's reasons for occupying the South Caucasus were to handle any potential threat coming from the region to north of India and to

---

<sup>32</sup>Yalçın Murgul, "Baku Expedition of 1917–1918: A Study of the Ottoman Policy towards The Caucasus," (Master Diss., Bilkent University, 2007), 155, accessed June 6, 2015, <http://www.thesis.bilkent.edu.tr/0003428.pdf>

<sup>33</sup>Bülent Gökay, "The Battle for Baku (May-September 1918): A Peculiar Episode In The History of the Caucasus," *Middle Eastern Studies* (2006): 32, accessed June 6, 2015, <http://www.tandfonline.com/doi/pdf/10.1080/00263209808701208>

<sup>34</sup>Joseph Brewda and Linda de Hoyos, "General Thomson's little war," *Executive Intelligence Review* (1999): 27, accessed June 7, 2015, <http://www.larouchepub.com/eiw/public/1999/eirv26n36-19990910/eirv26n36-19990910.pdf>

promote the White forces (opposition groups against Bolsheviks) from the South of Russia.<sup>35</sup>

When British forces began to move from Iran to Azerbaijan, the new government of Azerbaijan sent a delegation to meet with the British commander in Anzali. Azerbaijan's envoys proposed General Thomson to recognize Azerbaijan as an independent state before entering the country but Thomson avoided this. General Thomson stated:

To my knowledge, the Azerbaijani people do not have a republic established by popular vote, there is only a government set up by the Turkish command. Nevertheless, if you claim the opposite, we shall check everything on the ground and make an appropriate decision. The Allies came in not to destruct, but to create.<sup>36</sup>

Britain was very careful in the region because of the obscurity of the Russian Civil War. Although the independent countries were naturally against Russia, Britain chose not to recognize those republics to use them against Bolsheviks in the future. Instead of recognition of the South Caucasian republics, British Foreign Office adopted a flexible policy towards them. The office pointed that "If Russia recovers rapidly, they (Armenia, Azerbaijan, Georgia, and the mountain tribes) might conceivably rejoin her in some federal relation; if the anarchy in Russia lasts many years, their present separation from her will probably be permanent. Our policy toward the Caucasus should be framed to meet either eventuality."<sup>37</sup> Therefore, British occupation in the region ended when Bolsheviks defeated the Whites and built complete influence over the Caucasus.

From Britain's perspective, the reason for the occupation of the South Caucasus was initially to protect the border of north India but also to control the Baku-Batumi

---

<sup>35</sup>Artin H. Arslanian, "Britain and The Transcaucasian Nationalities During The Russian Civil War," *Wilson Center* (1980): 4, accessed June 5, 2015, <http://www.wilsoncenter.org/publication/britain-and-the-transcaucasian-nationalities-during-the-russian-civil-war-1980>

<sup>36</sup>Anar Isgenderli, *Realities of Azerbaijan 1917-1920*, trans. Yusif Axundov (United States of America: Xlibris Corporation, 2011), 171.

<sup>37</sup>Brewda and Hoyos, "General Thomson's little war," 27.

railway. During the war, the significance of oil increased all around the world and Baku was the richest city in terms of oil in the world. British businessmen especially considered the oil industry of Baku. In the *Journal of Near East* it was indicated that "Baku has no equal in terms of oil in the world. Baku is the biggest oil centre the world over. If oil is a kingdom, then Baku is its crown."<sup>38</sup> The Foreign Secretary Lord Curzon was one of the supporters for capturing Baku, particularly in terms of oil. In this case, British government oppressed Baku to extract oil and transfer to Batumi for British and the Allied naval forces. Before becoming a part of the Soviet Union, Azerbaijan had transferred twelve thousand tons oil to Batumi.<sup>39</sup>

To sum up, the South Caucasus proved to be a very crucial zone not only in strategic terms for external powers, but also for its natural resources even before the Soviet rule. After the establishment of communism in the region, the independence of the South Caucasian republics came to end and Western world had to wait for a long time to engage again with these countries.

### **2.2.2 The Collapse of the Soviet Union**

Western interests do not only refer to the European interests in the South Caucasus, rather United States has equal stakes in this regard. Most of the time, the policies of these two actors are parallel in this region and they cooperate. Therefore I will briefly talk about the relations of the USA with the three Caucasian republics before starting to analyze EU's interests in the region.

The relations of the US with the South Caucasian republics started after the collapse of the Soviet Union. The US had recognized the independence of all the former Soviet republics at the end of 1991.<sup>40</sup> Since then Washington has been constantly

---

<sup>38</sup>Musa Qasimly, "Britain's Azerbaijan Policy (November 1917 - September 1918)," *Visions of Azerbaijan* (2006): 38-43, accessed June 4, 2015, <http://www.visions.az/history,151/>

<sup>39</sup>Arslanian, "Britain and The Transcaucasian Nationalities During The Russian Civil War," 6.



seeking to prevent the dominance of Russia and Iran over the region. The USA supports the independence of Azerbaijan, Armenia and Georgia as a long-term strategy for sustaining democratization and promoting regional integration.<sup>41</sup>

Since the initial years of independence of the former Soviet republics, the USA has been providing financial and economic assistance to all NIS (Newly Independent States) countries in order to support transition to democracy and free markets. In this regard, South Caucasian republics were given priority due to a number of factors such as energy resources and importance of the region's geographical position between Russia and Iran.<sup>42</sup>

The USA promotes the resolution of the Nagorno Karabakh problem between Azerbaijan and Armenia as well as the conflicts between Georgia and its breakaway regions of South Ossetia and Abkhazia. In this regard, the most urgent needs of South Caucasus are conflict resolution and stability to remove obstacles for the integration of the region and the consolidation of democracy.

After briefly analyzing the US policies in the South Caucasus, I will turn to one of the main actors in the region which is the European Union. While the reasons for the EU interest in the region are similar with the United States, the EU's policies are more comprehensive. After the breakup of the USSR, several countries became neighbors with Russia and the EU at the same time. Apart from security and energy interests, the EU needed to establish close relations with the FSU (Former Soviet Union) as the new republics meant new markets for the EU.

The EU's activities in the South Caucasus started in early 1990s with the Technical Assistance to the Community of Independent States (TACIS) Program launched in 1991. TACIS program aimed to promote the FSU republics in their transition period

---

<sup>40</sup>Jim Nichol, Armenia, Azerbaijan, and Georgia: Political Developments and Implications for U.S. Interests, *Congressional Research Service* (2007): 2, accessed 28 March, 2015 , <http://fas.org/sgp/crs/row/RL33453.pdf>

<sup>41</sup>Inessa Baban and Zaur Shiryev, "The U.S. South Caucasus Strategy and Azerbaijan" *Turkish Policy* (2010): 94, accessed 29 March 2015, [http://turkishpolicy.com/pdf/vol\\_9-no\\_2-baban\\_shiryev.pdf](http://turkishpolicy.com/pdf/vol_9-no_2-baban_shiryev.pdf)

<sup>42</sup>Ibid.

to democracy and market economy. Later TRACECA (Transport Corridor Europe-Caucasus-Asia) project was initiated as an international transport program involving the EU member states and the former Soviet republics.

Apart from the TACIS assistance, the EU has also provided assistance to the South Caucasian republics using specific aid mechanisms, such as the Food Security Program or humanitarian aid managed by the European Commission Humanitarian Office (ECHO), particularly in the case of Georgia. This assistance particularly targets the South Caucasian countries, while TACIS aimed to support the overall economic and political development in all CIS countries. On the whole, estimates suggest that the EU has allocated over a billion euro to Azerbaijan, Georgia and Armenia from 1991 to 2000.<sup>43</sup>

The TACIS assistance program has been the main tool for the EU activity in the South Caucasus in the decade after the dissolution of the Soviet Union. The new contractual framework (Partnership and Cooperation Agreements signed in 1996) indeed came into force at the end of the decade in 1999. Overall, the EU's policy indicates that in comparison to the Eastern European countries, Georgia, Armenia and Azerbaijan ranked low on the EU agenda.<sup>44</sup>

Partnership and Cooperation Agreements (PCAs) concluded between the EU and South Caucasian republics have been another way for the EU to strengthen its hold in the region. The agreements were enforced on July 1999. The main aims of PCA were to enhance the harmony of the EU with the South Caucasus by the enhancement of trade relations, support for capitalistic market transition, support for democracy, and strengthening of the state structure for justice and peace.

---

<sup>43</sup>Laure Delcour and Hubert Duhot, "Bringing South Caucasus Closer to Europe: Achievements and Challenges in ENP Implementation," *College of Europe Natolin Campus* (2011): 6, accessed April 3, 2015, [https://www.coleurope.eu/sites/default/files/research-paper/delcour\\_duhot\\_0.pdf](https://www.coleurope.eu/sites/default/files/research-paper/delcour_duhot_0.pdf)

<sup>44</sup>Ibid.

Though the agreement is projected being solely beneficial for the South Caucasus, the potential benefits for the EU are not clearly stated.<sup>45</sup>

### **2.2.3 Energy Resources**

Energy resources are the main factor for development in today's world; especially industrialized countries are highly dependent on oil and gas. In this case, the EU is one of the biggest oil and gas consumers in the world. However, the Union's energy policy is not well organized which affects not only the EU's energy problems but also other policies. In this regard, Russia is a good example to explain EU's dilemma. Because of the Union's energy dependence on Russia, the members of the EU can do limited criticism on Moscow with regard to human rights, transparency and responsible governance.<sup>46</sup> Because of these reasons, diversification of Energy resources is a vital issue for the EU because it is heavily dependent on Persian Gulf oil and Russian gas supplies and Russia is well known in using natural gas as a tool in its foreign policy. South Caucasus can break the Russian monopoly in Europe and eastern and western sides of the Caspian.

Since the signing of Contract of the Century, the Western companies have been working in the Caspian basin to open Azerbaijan's energy resources for world markets. The EU started being actively involved in the diversification process, which was promoted further through the construction of the Baku-Tbilisi-Ceyhan (BTC) oil pipeline (active since 2006) and the South Caucasian or Baku-Tbilisi-Erzurum gas pipeline (BTE) (active since 2007). This is the only transit route for bringing Caspian energy to the European market bypassing Russia.<sup>47</sup> Especially in the energy sector,

---

<sup>45</sup>Mariam Dekanozishvili, "The EU in the South Caucasus: By What Means, to What Ends?," *The Georgian Foundation for Strategic and International Studies* (2004): 6-7, accessed April 04, 2015 [http://gfsis.org/media/activities/thumb1\\_/pub/files/publications\\_politics/dekanozishvili\\_The\\_EU.pdf](http://gfsis.org/media/activities/thumb1_/pub/files/publications_politics/dekanozishvili_The_EU.pdf)

<sup>46</sup>Zeyno Baran, "EU Energy Security: Time to End Russian Leverage," *The Washington Quarterly* (2010): 133, accessed 30 March, 2015, DOI: 10.1162/wash.2007.30.4.131.

<sup>47</sup>Salome Gogberashvili, "Why Does the South Caucasus Matter For the EU and Russia" (master diss., Institute of European Studies at Tbilisi State University, 2010).

transportation security is one of the vital issues for countries. The EU aims to promote security and stability in the region. As discussed above the existence of energy resources is a primary reason for the EU's actorness in the South Caucasus. That is why the EU feels the need to develop policies that can deal with many problems of the region.

#### **2.2.4 Geographical Importance of the Region**

The EU's enlargement policies alter the relationship with the outside world as the EU expands geographically and the scope of its problems and activities increase accordingly. The EU's latest enlargements created many problems which potentially have an impact, in significant ways, upon its presence and its capacity to act. The policy of enlargement increased the diversity in the Union. However, while the EU became larger, the decision making especially over issues of common interests and policies has become more difficult.<sup>48</sup>

The South Caucasus is important for the EU in terms of its geographical position at the crossroads of both east-west and north-south corridors of transport and trade. For centuries Caucasus served as bridge between the Black Sea and the Caspian Sea region, Europe and Asia as well as between Northern Europe, Russia, and the Middle East. The EU values the region as it's also located between Europe and Central Asia as a door that opens to Asia. For this reason, the region is in excellent position for EU for easier access to the Middle East and Eurasia.<sup>49</sup>

The significance of the Suez, Panama, Hormuz, or Mallaca is clear for the development of the regions. The South Caucasus is a similar corridor but it is not a sea link rather its importance lies being a land link. The unreliability of both Russia

---

<sup>48</sup>Dekanozishvili, "The EU in the South Caucasus: By What Means, to What Ends?," 11.

<sup>49</sup>Svante E. Cornell, S. Frederick Starr and Mamuka Tsereteli, "A Western Strategy for the South Caucasus," *The Silk Road Studies Program* (2015): 13, accessed 29 March, 2015, <http://www.silkroadstudies.org/resources/pdf/publications/1502Strategy.pdf>

and Iran in terms of politics as transport corridors increases the significance of South Caucasus.<sup>50</sup>

The following incidents can best explain the extensively unnoticed role of the Caucasus as a land bridge in the past twenty years. The constructing of the pipeline system between Caspian Sea and Europe via Turkey created an opportunity to bypass the former overlord. Moving out of the Russian influence through such projects contributed to the economic and political independence of the states of the South Caucasus and Central Asia and helped consolidating their sovereignty. These pipelines can serve for the distribution of Azerbaijan's resources in the short term while it can set a good example for the Central Asians republics also to develop the same kind of structure to tap and distribute their natural resources. The second case is related to the developments after September 11 terrorist attacks and the following War on terror. Western countries who were located far from the heart of Eurasia needed logistical support to fight with terrorist groups like Taliban and Al Qaeda in Afghanistan. Therefore the South Caucasus and Central Asia became the most convenient places for operations aiming to fight against terrorism for Western countries.<sup>51</sup>

---

<sup>50</sup>Cornell, Starr and Tsereteli, "A Western Strategy for the South Caucasus," 14.

<sup>51</sup>Ibid.,15

## **2. The Competing Interests of Russia and the EU in the South Caucasus in Post-Soviet Period**

### **3.1 Russian Interests in the South Caucasus**

#### **3.1.1 Azerbaijan's Natural Resources**

Russian oil and natural gas companies such as Rosneft and Gazprom are significant players in the global energy market especially in Europe. Russia has the largest natural gas reserves in the world, possessing more than 30 percent of the world's total. It is also an oil rich country, which is the second-largest oil producer in the world. This gigantic energy sector is being controlled by the Russian government within an authoritarian political context under the strict control of Vladimir Putin. Russian government and the leadership of the state-controlled Russian oil and gas firms are dominated by former members of the Russian intelligence service, which are personally close to Putin.<sup>52</sup>

The EU member states are the largest energy importers in the world, importing around 55% of their energy supply. Most of the EU member states are increasing their natural gas consumption in order to reduce carbon dioxide and greenhouse gas emissions. In 2011, natural gas contained 24% of the EU's primary energy consumption and the number is expected to rise approximately 30% in 2030. Oil makes up about 37%, coal almost 18%, and nuclear 12% of the EU's primary energy supply. Consumption of coal increased between 2011 and 2012 because of the boosting of the USA coal exports. According to the predictions of European Commission, the EU will import over 80% of its natural gas needs by 2030. This means that the EU's natural gas dependency will increase rapidly.<sup>53</sup>

---

<sup>52</sup>Steven Woehrel, "Russian Energy Policy Toward Neighboring Countries," *Congressional Research Service* (2009): 1-2, accessed April 11, 2015, <http://fas.org/sgp/crs/row/RL34261.pdf>

<sup>53</sup>Michael Ratner et al., "Europe's Energy Security: Options and Challenges to Natural Gas Supply Diversification," *Congressional Research Service* (2013): 5, accessed April 11, 2015, <https://www.fas.org/sgp/crs/row/R42405.pdf>

In these circumstances, importance of Russia cannot be denied for the EU member states. Europeans are heavily dependent on Russia's natural gas. Europe is the largest consumer of Russian natural gas and Russia's economy rely on the European market. The bulk of Gazprom's natural gas exports go to Europe and Eurasia, where half of it was imported by Europe and 28 percent exported to CIS among which many are not reliable in payment nor receive natural gas at subsidized prices.<sup>54</sup> Thus, the EU's diversification policy in the energy sector is seen as a nightmare by Russia not only politically but also economically.

In this regard Azerbaijan's natural resources are a source of hope for the EU to diversify its energy needs in the short term while Central Asian energy reserves are important for the EU in the long term. Therefore, the significance of the South Caucasus cannot be ignored and in the first step Russia have to keep Azerbaijan in its sphere of influence to keep its monopoly on Europe. However, Azerbaijan has already opened its energy resources to the world markets bypassing Russia, which can be furthered.

After becoming independent with the dissolution of the Soviet Union, the government of Azerbaijan successfully implemented energy policy and signed the Contract of the Century in 1994 which was followed by a deal on the Shah Deniz gas field in 1996. These deals generated a great amount of international investment flowing into the oil and gas sector in Azerbaijan. The country received 60 billion USD foreign investments in its oil and gas sector in the past years. Azerbaijan's oil and gas revenue is expected to increase and is predicted to reach 200 billion USD in 2024. The building of the Baku–Tbilisi–Ceyhan (BTC) pipeline for transporting oil from Azerbaijan to western markets via Georgia and Turkey in 2006 was another turning point in this regard. As a result of this project, Russian monopoly on transportation of energy resources from the Caspian Sea came to an end.<sup>55</sup>

---

<sup>54</sup>Ratner et al., "Europe's Energy Security: Options and Challenges to Natural Gas Supply Diversification," 9.

The expansion of the natural gas production is (particularly after the discovery of the Shah Deniz gas field in 1999) also planned for the future. After the construction of the South Caucasus Pipeline (Baku-Tibilisi-Erzurum), the first supply of gas was pumped through this pipeline in 2006. The pipeline delivers gas to Georgia and Turkey. Apart from these countries; there are other projects such as the Trans-Anatolian Pipeline (TANAP) and Trans-Adriatic Pipeline (TAP) projects that can deliver Azerbaijani's gas to Europe.

Currently the project of Trans-Caspian Pipeline is being discussed and if the decision to construct passes, it will deliver Central Asian resources to European markets through the BTC pipeline. This project is supported not only by the EU but also by the USA; however, the project is obstructed by Russia and Iran with their arguments on the status of the Caspian Sea. They do not desire the division of the sea among the coastal countries because of national interests.

As discussed above Azerbaijan's energy policies clash with the Russian interests both economically and politically yet Russia has other cards to prevent Azerbaijan from improving closer relations with the EU in the energy sector and supporting new pipelines as Trans-Caspian Pipeline. A good example for this is Moscow's co-chair position in the OSCE Minsk group<sup>56</sup>. This is a clear indicator that Russia continues to play a key role in Azerbaijan's foreign policy and constitutes a major obstacle for Baku to ignore Russian demands.<sup>57</sup>

---

<sup>55</sup> Aitor Ciarreta and Shahriyar Nasirov, "Analysis of Azerbaijan Oil and Gas Sector," *Energy Policy*(2012): 2, accessed April 11, 2015, [http://www.usaee.org/usaee2011/submissions/onlineproceedings/ciarreta\\_nasirov-article1.pdf](http://www.usaee.org/usaee2011/submissions/onlineproceedings/ciarreta_nasirov-article1.pdf)

<sup>56</sup> OSCE Minsk group established by Conference on Security and Cooperation in Europe (now it is Organization for Security and Co-operation in Europe) in 1992 in order to find peaceful solution for Nagorno Karabakh issue. The group is co-chaired by the United States, the Russian Federation, and France.

<sup>57</sup> Heidi Kjærnet, "The Energy Dimension of Azerbaijani-Russian Relations: Maneuvering for Nagorno-Karabakh," *Russian Analytical Digest* (2009): 4, accessed April 11, 2015, <http://www.css.ethz.ch/publications/pdfs/RAD-56.pdf>



### 3.1.2 Russian Interests in Georgia

Relations with Georgia have proved to be the most 'problematic' for Russia in the South Caucasus republics since 1991. Indeed Azerbaijan was also following an independent foreign policy parallel with Georgia in the early. This changed after Heydar Aliyev's coming to power in Azerbaijan. Georgia continued following a multi-vector foreign policy through developing relations with Turkey and the EU since 1991.

There have been many problematic issues between Georgia and Russia since the disintegration of the Soviet Union. The Russian military bases in Georgia became an important problem between Russia and Georgia throughout the 1990s. Eventually, the sides signed an agreement at the OSCE Istanbul Summit in November 1999 which resulted in Russia agreeing to close its military bases in Vaziani (near Tbilisi) and Gudauta, Abkhazia by July 2000.<sup>58</sup> However despite this agreement, Russia later used ethnic conflicts as a tool to push Georgia to join the CIS.

Regarding the energy issue the position of Georgia clashes with the Russian economic interests while it prioritizes relations with Azerbaijan and Turkey and allow for constructing pipelines in its territory. Russian political interests in Georgia are intertwined with economic ones. The main aim of Russia is to 'freeze' the conflicts in Georgia in order to built bases in South Ossetia. Russia did not allow peaceful resolution of the conflict between Georgia and the South Ossetia when Eduard Shevardnadze was ready to approve the status of autonomy for South Ossetia in 1999. In 2001 elections in South Ossetia, Ludvig Chibirov lost the elections. He was the president of South Ossetia since 1996 and signed the Boden Document with Shevardnadze to open peaceful discussion between the two sides.

---

<sup>58</sup>Ömer Kocaman, "Russia's Relations With Georgia Within The Context Of The Russian National Interests Towards The South Caucasus In The Post-Soviet Era: 1992-2005," *Orta Asya ve Kafkasya Araştırmaları* (2007): 7, accessed April 11, 2015, <http://www.usak.org.tr/dergi.php?id=11&cat=51#.VSIUQtysVhg>

Eduard Kokoity who was strongly supported by Moscow replaced Chibirov as president in 2001.<sup>59</sup>

Under Kokoity the relations between South Ossetia and Georgia worsened again, Kokoity replaced all bureaucratic positions that had close relations with the Georgian government. As a result of such changes the tension between the sides started to escalate once again. These developments in Georgia satisfied Moscow.

After the Rose Revolution in 2003 with Michael Saakashvilli coming to power Russia's influence in Georgia started to weaken. Saakashvilli was completely different than his predecessor as he was well known for his pro-Western orientation and was supported by the USA. Therefore for Kremlin keeping tension in Georgia was left as the main tool of influence. Therefore Russia started to distribute Russian passports to people who live in Abkhazia and South Ossetia.<sup>60</sup>

Indeed Russia was never interested in the independence of South Ossetia but only desired to keep the conflict lively to enable Moscow intervene in Georgian domestic problems. This became clear when Kremlin rejected recognizing the independence of the region when Eduard Kokoity asked Russia for such recognition several times in January 2003, March 2006 and again in March 2008. The acknowledgement of the recognition of independence of South Ossetia at those times was against the Moscow's interests because of its problematic provinces such as Chechnya and North Ossetia. Even when South Ossetia wanted willingly to join Russia via referendum in 1992 this was not welcomed by Russia.<sup>61</sup> Allocation of military bases in the region is main priority of Kremlin because the region is very crucial strategically and from this position Russia can easily manipulate Georgian policy.

---

<sup>59</sup>Andrei Illarionov, "The Russian Leadership's Preparation for War, 1999-2008," in *The Guns of August 2008 Russian's War in Georgia*, ed. Svante E. Cornell and Frederick Starr (New York: M.E. Sharpe, Inc, 2009), 52-53.

<sup>60</sup>Thronike Gordadze, "Georgian-Russians in the 1990s," in *The Guns of August 2008 Russian's War in Georgia*, ed. Svante E. Cornell and Frederick Starr (New York: M.E. Sharpe, Inc, 2009), 37.

<sup>61</sup>Esmira Guseinova, "The Russia's Interests behind the Involvement in Georgia-South Ossetian Conflict," (Master diss., Central European University, 2012).

When Saakashvilli became the president of Georgia, he announced that Georgia's foreign policy would be Western oriented. However, when Georgian-Russian war took place in August 2008<sup>62</sup>, Western countries did not do anything to deter Russia from the war; except for condemning Russia after recognizing the South Ossetia and Abkhazia regions. Eventually, Russia achieved its demands in the war and strengthened its position in South Ossetia and Abkhazia where it can easily manipulate Tbilisi.

### **3.1.3 Russian Interests in Armenia**

Armenia is the weakest country in terms of having foreign policy options among the South Caucasus countries. Landlocked and in possession of few natural resources, Armenia has relied heavily on services, industrial, and agricultural-based industries. Further Armenia's economy is in trouble because of a double-blockade on the borders between Azerbaijan and Turkey since 1993. The blockades have many impacts on country's economy but one of the main affects is the energy issue. The BTC pipeline is the largest pipeline in the region that purposely by-passed Armenia and running through Azerbaijan, Georgia and Turkey.

Armenia is being excluded from a lucrative share in the export of Caspian oil to Europe. Primarily, Armenia imports crude oil from Russia via the North Caucasus-Transcaucasus pipeline and the smaller Mozdok-Tbilisi pipeline. Another pipeline is Tabriz-Yersakh natural gas pipeline, which has potential to supply almost twice the quantity of Armenia's annual natural gas demand and thus can reduce the country's dependence on Russia. However, as a result, the concession policy was introduced to Armenian government by Russia in order to sell Russian oil on subsidized prices,

---

<sup>62</sup>Georgian-Russian war was an armed conflict which took place between Russia and Georgia on August 8, 2008 and continued five days. By the end of the war Russia recognized the independence of South Ossetia and Abkhazia.

which eventually narrows Armenia's options to make independent decisions in long term.<sup>63</sup>

Another impact of the blockades on Armenian economy is the increasing cost of transportation of goods. Excluding Turkey and Azerbaijan, Armenia shares wide borders with Georgia in the north and with Iran in the south. The main trade partners of Armenia are Germany, Russia, and Ireland which require Armenian transit goods. These goods have to pass through Georgian territories where underdeveloped areas are. The territories, from where those transit goods pass, are not well developed and it continues till Black Sea ports of Poti and Batumi. After reaching to these ports, Armenian goods are shipped to European markets.<sup>64</sup>

Armenians also suffer because of the Nagorno Karabakh problem as the country is in arms race with Azerbaijan and spending money for buying weapons which in turn affects people's living standards. These conditions are convenient for the Russian government to keep Armenia in its sphere of influence.

Among the South Caucasus republics, Armenia has a special significance in Russian foreign policy because it provides territory for the Russian military base which in turn helps with the preservation of Russia's presence in the South Caucasus.<sup>65</sup> Moscow has three bases in Armenia, which are 102<sup>nd</sup> base in Gyumri facing Turkey, the 426<sup>th</sup> base in Erebuni, which contributed in the second Chechen war, and the one in Meghri with 5000 soldiers, 2000 of which are borders officials.<sup>66</sup> Defending the borders is the main problem for Armenia because of its economic, geographical and political situation, which is following aggressive policies against Azerbaijan. In this regard, the Russian Federation is still seen as one of the closest actors as the

---

<sup>63</sup> Ian J. Mc Ginnity, "Selling its Future Short: Armenia's Economic and Security Relations with Russia," (CMC Senior Theses diss., Claremont Colleges, 2010).

<sup>64</sup> Mc Ginnity, "Selling its Future Short: Armenia's Economic and Security Relations with Russia."

<sup>65</sup> Sergey Minasyan, "Russian-Armenian Relations: Affection or Pragmatism?," *PONARS Eurasia Policy Memo* (2013): 2, accessed April 12, 2015, [http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/Pepm\\_269\\_Minasyan\\_July2013.pdf](http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/Pepm_269_Minasyan_July2013.pdf)

<sup>66</sup> Gaidz Minassian, "Armenia, a Russian Outpost in the Caucasus?," *Russia/NIS Center*(2008): 11.

country's security guarantor. Apart from bilateral military cooperation with Russia, participation in the CSTO is another cornerstone of Armenia's security strategy. In 2012, Armenia held Collective Rapid Reaction Force (CRRF) exercises on its territory for the first time. Moreover, Armenia extended the lease on the Gyumri base in 2010, where S-300 anti-aircraft missiles, and Mikoyan MiG-29 fighters settled and where approximately 3,000 Russian soldiers are stationed until 2044. Thus, this agreement provides Armenia with guarantees against any threats to state security.<sup>67</sup>

The above-mentioned conditions explain Armenia's dependency on Russia. In order to keep it this way, Russia would like to preserve the status quo and therefore prevents any attempts to resolution of the conflicts in the South Caucasus.

### **3.2 The EU's Interests in the South Caucasus**

After the fifth enlargement of the EU, the Union got new neighbors and these countries were also part of the Soviet Union before 1991. New borders brought new problems for the EU in many ways especially after the 9/11 attacks and problems of territorial stability in neighboring countries. Although these problems are not related to EU's domestic affairs, it is still directly related with the Union's peacefulness because having instable neighbors can create a threat to the EU.

The major EU's interests in the South Caucasus are security, democracy promotion and energy issues. The main challenges in the region are extremism, separatism and terrorism as well as territorial conflicts, arms race between Armenia and Azerbaijan, environmental problems and increase of transnational organized crime. In the case of transnational organized crime, the *de facto* independent countries which are not recognized by any country (except for Russia in the case of Abkhazia and South Ossetia) are the main potential source for transnational organized crime.

---

<sup>67</sup>Laure Delcour, "Faithful But Constrained? Armenia's Half-Hearted Support for Russia's Regional Integration Policies in the Post-Soviet Space," *Geopolitics of Eurasian Integration* (2014): 4-5, accessed April 14, 2015, [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2460335](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2460335)

Furthermore, the migration flows as a result of the frozen conflicts may seriously affect the EU's security.<sup>68</sup>

### **3.2.1 Why Azerbaijan Matter for the EU?**

Azerbaijan is comparatively a more important country for the EU as opposed to the other South Caucasian countries. Azerbaijan shares the similar historical background with Georgia and Armenia being under the Soviet rule for seventy years. During the long time under the communist rule the people's mentality changed radically under the oppressions of the Bolsheviks. Therefore changing such mentality and successful democratic transition for the Central Asian and the South Caucasus countries including Azerbaijan will not be an easy process.

Establishing democratic systems in the neighboring countries is a vital issue for the EU as democracy brings respect for human rights, promotes independent media and avoiding corruption which in turn all contribute to the stability of the European neighborhood. Promoting democracy in Azerbaijan can be seen as the natural interest of the Union as the reverse conditions may undermine stability and people under the repression of dictatorial regimes may migrate to the EU and this can increase the current problem in terms of illegal migration in the EU.<sup>69</sup>

With regarding the promotion of democracy in Azerbaijan some European organizations such as the Organization for Security and Cooperation in Europe (OSCE) and the Council of Europe (CoE) closely observe the process of democratization in Azerbaijan. In this regard, Europe's leading institutions have criticized the Azerbaijani government for its lack of policies to protect human rights, for repression of the independent media as well as prevalent corruption in state-owned institutions. European observers generally highlight that elections do not

---

<sup>68</sup>Elkhan Nuriyev, "EU Policy in the South Caucasus A view from Azerbaijan," *Center for European Policy* (2007): 3, accessed April 17, 2015, <http://aei.pitt.edu/7544/1/272.pdf>

<sup>69</sup>"The EU's relations with its neighbours A survey of attitudes in the European Union" *Special Eurobarometer*, (2007): 15-39, accessed April 21, 2015, [http://ec.europa.eu/public\\_opinion/archives/ebs/ebs\\_285\\_en.pdf](http://ec.europa.eu/public_opinion/archives/ebs/ebs_285_en.pdf)

have international standards.<sup>70</sup> However it should not be forgotten that consolidation of democracy takes time in the newly independent countries.

Apart from the democratization process, the EU is interested in the resolution of the Nagorno Karabakh conflict to prevent any future conflicts which may have the potential to spread immediately in the whole region. However, since the ceasefire in 1994 between Armenia and Azerbaijan, there is no serious attempt regarding the resolution of the problem. The EU sees the OSCE Minsk group (established for finding resolution for Nagorno Karabakh) as the main mechanism for resolving the Armenian–Azerbaijani conflict<sup>71</sup> but from the point of Azerbaijan’s foreign policy, there is only one condition to solve the problem which is the reintegration of Karabakh to the Azerbaijani territory.<sup>72</sup> Peaceful resolution of this conflict is the sole option which is also beneficial to the EU, but the position of the EU is problematic in this regard. France, the Russian Federation and the United States of America are co-Chairs in the OSCE Minsk group. However France as the European member is seen by Azerbaijan as a biased actor. In the process of resolution of the conflict, the fact that the EU is represented by France is problematic in terms of the EU’s role.

Although promoting democracy and resolving conflicts are the EU’s primary interests in the region, energy resources is the main factor in the EU’s interest in Azerbaijan. Especially after the Russia-Ukraine gas crisis in 2006, the EU started to search some ways to diversify its energy supply. The EU is heavily dependent on energy supplies from a very limited number of countries and almost half of its natural gas import comes from Russia.<sup>73</sup> In this case, Azerbaijan is a great option for

---

<sup>70</sup>Elkhan Nuriyev, “EU Policy in the South Caucasus: The Case of Post-Soviet Azerbaijan,” *German Institute for International and Security Affairs* (2007): 17-18, accessed April 17, 2015, [http://www.swp-berlin.org/fileadmin/contents/products/arbeitspapiere/SWP\\_RP\\_Nuriyev\\_ks.pdf](http://www.swp-berlin.org/fileadmin/contents/products/arbeitspapiere/SWP_RP_Nuriyev_ks.pdf)

<sup>71</sup>Elkhan Nuriyev, “EU Policy in the South Caucasus A view from Azerbaijan,” 17.

<sup>72</sup> Foreign Policy, “The Priorities of the Foreign Policy of the Republic of Azerbaijan,” *HeyderAliyev Foundation*, accessed April 21, 2015, [http://www.azerbaijan.az/portal/WorldCommunity/ForeignPolicy/foreignPolicy\\_e.html](http://www.azerbaijan.az/portal/WorldCommunity/ForeignPolicy/foreignPolicy_e.html)

<sup>73</sup>Gogberashvili, “Why Does the South Caucasus Matter For the EU and Russia.”

diversifying the EU's energy supply bypassing Russia. This way the EU will not only be able to access Azerbaijan's resources but also to reach Central Asian resources as well. In order to access Central Asian reserves, the Trans-Caspian Pipeline must be constructed and it seems very hard to build that pipeline because of the status of the Caspian Sea. Thus, Azerbaijan can be the best answer to EU's energy interests in the short term while constructing new pipelines between western and eastern sides of the Caspian Sea can serve the EU's long term energy supply.

### **3.2.2 Georgia as the Closest Ally of the EU in the Region**

Despite many similarities in culture, history and geography, there are many differences among the South Caucasian republics. Georgia has experienced major events including the Rose Revolution in terms of the political transition since 1991.

After the fifth enlargement of the Union, the EU has aimed to prepare itself for a 'Wider Europe' in 2004 which would lead to building a 'ring of friends' around the EU member states. This would be an area where has prosperity, and a friendly neighborhood that the EU would improve peaceful relations and spread its values to all neighboring states.<sup>74</sup>

The EU has many interests in Georgia. First, in terms of the Union's promotion of democracy in the former Soviet Republics the Rose Revolution in Georgia set a great example. Georgia was a failing state and a failed democracy before the revolution. It became a very crucial issue for the EU that good governance is established in Georgia and its territorial integrity is restored in a peaceful way. The Rose Revolution was seen as a milestone in Georgia's democratic transformation, economic reforms and political stability. The second major interest of the EU is related to security. It is known that especially after 9/11, fighting with extremists, terrorists, international organized crime and drug trafficking became an important

---

<sup>74</sup>Loke Hoe-Yeong, "Of neighbours, partners and EU aspirants: The case of EU-Georgia relations since the 2003 Rose Revolution," *EU Centre in Singapore* (2011): 12, accessed April 18, 2015, <http://www.eucentre.sg/wp-content/uploads/2013/06/BB05.Of-neighbours-partners-and-EU-aspirants.pdf>



problem for many international actors including the European Union. Georgia as a weak, undemocratic and instable country is a threat for the EU's security and that is why unresolved internal conflicts of Georgia are one of the main problems of the Union. Finally and perhaps the most significant interest of the EU in Georgia is the energy issue. As we noted above, the EU heavily depends on the Russian natural resources. Especially after the construction of the BTC oil and Baku-Tbilisi-Erzurum (BTE) gas pipeline, the significance of Georgia as a transit country is increased. According to the EU estimates, energy import of the Union will go up from 50% to 70% by 2030.<sup>75</sup>

Moreover the Georgian government and most of the Georgian people are very keen to integrate with European Union. The Georgian government aims to fulfill the EU's Copenhagen Criteria. In general, these criteria aim to nurture democracy, market based economy, peace and harmonious interstate relations and human resource development.<sup>76</sup> Against all the pressures of Russia, Georgia is the closest actor to the EU among the three countries. Particularly, after the Rose Revolution the EU's aspirations in Georgia in terms of democracy, preventing corruption and respect for human rights increased significantly.

### **3.2.3 The EU's Interests in Armenia**

Different from the two other countries of the South Caucasus, Armenia has been politically and economically the weakest republic. The Armenian domestic political context is not very conducive for the development of democracy which has been a major obstacle for Armenia to become one of the most important partners of the EU.

---

<sup>75</sup>Dov Lynch, "Why Georgia Matters?," *Institute for Security Studies* (2006): 66-68, accessed April 18, 2015, <https://infoeuropa.euroid.pt/files/database/000036001-000037000/000036733.pdf>

<sup>76</sup>Kakha Gogolashvili, "The EU and Georgia: The Choice is in the Context," *Europe in Dialogue* (2009): 91, accessed April 18, 2015, [http://kms2.isn.ethz.ch/serviceengine/Files/RESSpecNet/104887/ichaptersection\\_singledocument/4C035BDB-C1A1-4C2A-9C63-B66D4C8CFA92/en/3.pdf](http://kms2.isn.ethz.ch/serviceengine/Files/RESSpecNet/104887/ichaptersection_singledocument/4C035BDB-C1A1-4C2A-9C63-B66D4C8CFA92/en/3.pdf)

Armenia became independent on September 21, 1991. Therefore, just like the other post-Soviet countries it is referred to as a young or new country. In the Constitution of the Republic of Armenia, it is stated that "The Republic of Armenia is a sovereign, democratic, social state governed by the rule of law". However despite what is written on paper, democracy and democratic culture is not very much developed in the country, particularly after the seventy years of communist rule. Armenia indeed has established several institutions which are part of a democratic state. The principle of separation of the three powers which are the legislative power, (belong to the National Assembly) the executive power, (belongs to the Government) and the Judiciary (belongs to the system of courts) is established in the country. However the separation exists only on paper at the constitutional level but in practice the Parliament and the Courts depend on the executive power. There is also a lack of trust towards the courts among Armenians.<sup>77</sup>

During the period of first president of Armenia, the country started the process of privatization of state properties which was the very crucial event for transition to market economy. However, the Nagorno Karabakh War that started in 1992 and lasted until 1994 disturbed such efforts. The war not only harmed the country's economy but also it defined the future of the country's destiny. The country was blockaded by Azerbaijan and Turkey and the result of these blockades, only two ways remained to Armenia for opening the world market.

Two railways closed down because of the conflicts in the South Caucasus (Georgian-Abkhazian and Armenian-Azerbaijani conflicts) which were going from Abkhazia to Armenia and from Azerbaijan to Armenia. As a result of the conflict, Armenia had to terminate its import of fuel oil. The gas pipeline which was coming to Armenia from Russia via Georgia was often out of order because of the off and on explosions occurred between 1992 and 1994.<sup>78</sup> These events affected the political life in

---

<sup>77</sup> Hasmik Grigoryan, "Democracy in Armenia. EU's Eastern Partnership as a Supportive Tool towards Democracy" (PhD diss., Comenius University, 2013).

Armenia as well. Furthermore Armenia feels insecure between Azerbaijan and Turkey and that is why it has increased its military spending. Yerevan favored military spending rather than investments on the field of social welfare and development. Armenia's military expenditure accounted for 395 million USD (4.2% of the state's GDP) in 2010. In the last few years, the government was criticized for reducing the defense budget. The reason for such criticism is that Armenian defense budget became so low vis-à-vis the Azerbaijani one; according to some claims the total defense budget of Azerbaijan equals to Armenia's GDP.<sup>79</sup>

As a result of the economic conditions, Armenia is heavily dependent on Russia who uses the Armenia's situation to keep it under its sphere of influence. For instance, Armenia progressed in terms of human rights, free elections, transparency in state institutions in order to improve its relations with the EU in 2010-2013.<sup>80</sup> In contrast, Russia increased the prices of gas about 20% and supplied Azerbaijan with offensive weapons costing almost one billion USD. Russia gave a message to Armenia that it is not satisfied with Armenia's policies.<sup>81</sup> This scenario shows that Armenia has limited options and always has to choose, either Russia or the EU.

Under these circumstances, although promoting democracy is the one of EU's main interests in Armenia, Armenia does not seem to get out of the Russian sphere of influence easily. With regard to Europe's interests in the South Caucasus Georgia and Azerbaijan seem to serve these interests the best. As Georgia prone to democratic reforms while Azerbaijan is the oil rich state that help diversifying EU's energy supply. Armenia has so far chosen the side of the Russia and therefore not

---

<sup>78</sup>Grigoryan, "Democracy in Armenia. EU's Eastern Partnership as a Supportive Tool towards Democracy"

<sup>79</sup>Nicola D. Medico, "A Black Knight in the Eastern Neighbourhood? Russia and EU Democracy Promotion in Armenia and Moldova," EU Diplomacy Paper (2014): 8, accessed April 19, 2015, [https://www.coleurope.eu/system/files\\_force/research-paper/edp\\_7\\_2014\\_del\\_medico.pdf?download=1](https://www.coleurope.eu/system/files_force/research-paper/edp_7_2014_del_medico.pdf?download=1)

<sup>80</sup>European Friends of Armenia, "EU-Armenia relations: future developments and prospects," (2014): 5, accessed April 19, 2015, <http://www.eufoa.org/uploads/FutureofEUAMRelations.pdf>

<sup>81</sup>Grigoryan, "Democracy in Armenia. EU's Eastern Partnership as a Supportive Tool towards Democracy".

very central in terms of the EU's policy. However, there is no doubt that without stability and peace, it is impossible to construct democratic regimes in the region and the EU's priority is to resolve the Nagorno Karabakh problem.

### **3.3 Hegemonic Competition between External Actors in the South Caucasus**

Historically the South Caucasus was the region shared among three major empires: Russian, Ottoman and Persian. The smaller powers in the region had always perceived a threat by these empires throughout the history of the South Caucasus as they were many times conquered by the same empires. In 1918, Armenia, Azerbaijan and Georgia declared their first independent states republics but only lasted for three years. Eventually they gained their independence after the seventy years of communist rule. However, in addition to the problem of their domestic conflicts, external actors had always intervened and involved in the regional politics which form a threat to the sovereignty of the South Caucasian states.

#### **3.3.1 Russia as a Hegemonic Actor**

In the early 1990s, Russia involved in integrating with the Western world. As a result of such pro-Western policies (based on the Atlanticist view) Russia got the right to possess nuclear weapons and continued to have a permanent seat in the United Nations (UN) Security Council. However this policy excluded the global hegemonic ambitions of the former Union. In the initial years, Russian economy shrank and the country started to lose its power in a fast pace. As a result of such difficult transition period conservative thinking neo-Eurasianist gradually strengthened. This idea was completely different then the Atlanticist school. According to conservatives, Russia had to restore its role in the former Soviet region in order to regain its prestige. Thus, Russia adopted a new military doctrine in November 1993, which was signed by the then President Yeltsin. In this doctrine, Russia did not define any country as the enemy. However, it described local wars near its borders, extension of military

alliances, and discrimination of Russian citizens outside the country as threats to its security.<sup>82</sup>

While trying to restore its control in the South Caucasus, Russia sees that she is not the only country that has interest in the region. In the initial years, Russia saw the USA and Iran as main threats to its interests in the South Caucasus but then Turkey appeared as a powerful actor. These circumstances resulted in Russia developing strong relations with the Islamic Republic of Iran. Armenia can also be considered in this alignment considering its negative relations with Turkey and Azerbaijan. Russia tries all of its cards including military power to protect its hegemony in the region. Russia continues to improve strong relations with Armenia and Iran. However, it should be noted that Russian policy along these lines contributes to the forming of new alliances such as Azerbaijan-Turkey-Georgia-Israel which is supported by the USA as well.<sup>83</sup>

### **3.3.2 The EU Competing with Russia over the South Caucasus**

Since the beginning of establishment of European Union, it remained in the process of enlargement but such extension was not possible as long as Soviet Union existed, after the demise of Soviet Union new countries came into existence and now it seems that the European Union will need more territories and extend its sphere. After the collapse of the former-Soviet Union, the EU targeted the former communist countries in Europe which eventually led to their membership. After the subsequent enlargements, South Caucasian countries became the new important targets for the EU. As noted above, at the beginning of independence of Russia, the country followed a pro-Western policy therefore lost its former control in the post-Soviet countries. However, after the change of the Russian foreign policy towards neo-Eurasianism, the country started to increase its hegemony which resulted in the clash of the interests of Russia and the EU.

---

<sup>82</sup>Cornell, *Small Nations and Great Powers*, 326.

<sup>83</sup>Ibid., 353.

Russian economy heavily depends on the income that comes from natural resources. Russia is a natural gas exporter country and its main costumers are the EU member states. Russia has been known to use natural gas as a tool in its foreign policy. Therefore the EU knows the importance of the need to diverse its energy supply sources and breaking the Russian monopoly. The natural resources of the Caspian Sea basin are thus a vital issue for the EU. Russia and the EU differ ideologically as well. Establishing democratic republics based on the rule of law and well developed state institutions are a priority for the EU. That is why the EU promotes democracy, human rights, independent media as well as prioritizing fight against corruption. As for Russia, the EU's values are tools that can damage its control in the former Soviet world because consolidation of democracy means collapse of the authoritarian regimes that are friendlier to Russia.<sup>84</sup>

### **3.3.3 The USA's Policies in the Region**

One of the most important events of the end of the twentieth century is the dissolution of the Soviet Union, as a result of which the USA emerged as the single super power. Right after the collapse of the USSR, the USA followed the policy of 'Russia First'.<sup>85</sup> 'Russia First' was the strategy of the USA as an appeasement policy towards Russia. This policy observed mainly when the expansion of the NATO was postponed by the USA at the beginning of 1990s.<sup>86</sup> Therefore the USA prioritized its relations with the RF and was not very much interested in creating a sphere of influence over the former Soviet countries in the initial years of the collapse of Soviet Union. Between 1991 and 1994, the USA tended to treat South Caucasus as

---

<sup>84</sup>Mark Leonard and Nicu Popescu, "A Power Audit of EU-Russia Relationship," *European Council on Foreign Relations* (2007): 13-16, accessed April 21, 2015, [http://kvartal.europe.bg/upload/docs/eu\\_russia.pdf](http://kvartal.europe.bg/upload/docs/eu_russia.pdf)

<sup>85</sup>Ferhat Pirinççi, "Soğuk Savaş Sonrasında ABD'nin Orta Asya Politikası: Beklentiler ve Gerçeklikler," *Ankara Üniversitesi SBF Dergisi* (2008): 210, accessed April 21, 2015, <http://dergiler.ankara.edu.tr/dergiler/42/933/11637.pdf>

<sup>86</sup>Bradley Axmith, "Denying History: The United States' Policies toward Russia in the Caspian Sea Region, 1991-2001," *Anchor Academic Publishing* (2003): 54.

the 'backyard' of Russia. However this apathy towards the region changed in the period of 1994-1999. In this period, the importance of the Caspian energy resources started to become clear and the USA actively promoted the construction of east-west energy corridor. The USA supported the forming of GUAM (Georgia, Ukraine, Azerbaijan and Moldova) as a regional security cooperation organization in 1996.<sup>87</sup>

Especially after the 9/11 attack, the role of the South Caucasian countries increased in fighting against terrorism as a part of the USA policy.<sup>88</sup> The region is a part of the USA's larger strategy in the region which called Central Eurasia and in this case, the location of the South Caucasus has crucial importance for the United States. In order to pass Central Eurasia there are two ways; one of them are Turkey and the other one is South Caucasus.<sup>89</sup>

Meanwhile, the Russian-Iranian-Armenian alliance should not be ignored in the region as the interests of these countries completely match and establishing a closer alliance is inevitable for these countries. In contrast, there is another group of countries which has very friendly relations to each other such as Turkey, Georgia and Azerbaijan. Promoting these countries is the only solution for the strengthening of the American influence in the Caucasus. As a result of supporting projects in the Caspian basin, the American influence gradually increases but remains still very limited comparatively with Iran and Russia.<sup>90</sup>

### **3.3.4 Turkey's Interest in the South Caucasus**

---

<sup>87</sup>Brenda Shaffer, "The South Caucasus: A challenge for The EU," Institute for Security Studies edit. Dov Lynch (2008): 54-55, accessed April 21, 2015, <http://www.iss.europa.eu/uploads/media/cp065e.pdf>

<sup>88</sup>Elnur Ismayilov, "Foreign Policy Strategies of the USA and Russia in the South Caucasus and Central Asian Regions. New Geopolitical Changes and Clash of National Interests," *Graduate School of Politics* (2013), accessed April 21, 2015, [http://www.uni-muenster.de/imperia/md/content/graduate\\_school\\_of\\_politics/dokumente/downloads/poster\\_ismayilov.pdf](http://www.uni-muenster.de/imperia/md/content/graduate_school_of_politics/dokumente/downloads/poster_ismayilov.pdf)

<sup>89</sup>Cornell, *Small Nations and Great Powers*, 378.

<sup>90</sup>*Ibid.*, 381.

In the early 1990s, the land border between Turkey and the USSR came to an end which existed for several centuries. Now Turkey and Russia have no land frontiers. Turkey was very cautious in its relations with the former Soviet world because of the Russian factor. Turkey's attitude towards the region did not change even when the Soviet forces entered Baku and killed several hundred Azerbaijani demonstrators in January 1990. Although there was widespread sympathy for Azerbaijanis in Turkey, the Turkish government saw 20<sup>th</sup> January event as internal affairs of Soviet Union. Along with the recognition of the independence of all the former Soviet states in December 19, 1991, the policy towards the region started to change.<sup>91</sup>

In the early 1990s, Turkey discovered its new Caucasian neighbors and started developing strong relations with them. Naturally among the South Caucasian countries the closest country was Azerbaijan because of the common cultural, linguistic and religious ties. Due to the war between Armenia and Azerbaijan, Turkey had to close its only border (Doğukapı/Akhourian) crossing to Armenia in 1993. After this closure, the integrity of Azerbaijan's territory became Turkey's priority and it also shaped the future relations between Turkey and Azerbaijan.<sup>92</sup> Although, Turkey tried to restore its relations with Armenia in 2009, Baku's position forced Turkey to abandon the policy of rapprochement with Armenia.<sup>93</sup>

Beyond the Nagorno Karabakh issue, Turkey has another interest, the energy resources in the South Caucasus. Unlike Turkey's relations with Armenia, its relations with Georgia and Azerbaijan are very strong. There are two main energy

---

<sup>91</sup>Burcu G. Punsmann, "Turkey's Interest and Strategies in the South Caucasus," *Economic Policy Research Foundation of Turkey* (2012): 1-2, accessed April 22, 2015, [http://www.tepav.org.tr/upload/files/1336992403-3.Turkey\\_\\_\\_s\\_Interest\\_and\\_Strategies\\_in\\_the\\_South\\_Caucasus.pdf](http://www.tepav.org.tr/upload/files/1336992403-3.Turkey___s_Interest_and_Strategies_in_the_South_Caucasus.pdf)

<sup>92</sup>Ibid.

<sup>93</sup>Zaur Shiryev and Celia Davies, "The Turkey-Armenia-Azerbaijan Triangle: The Unexpected Outcomes of the Zurich Protocols," *Stratejik Araştırmalar Merkezi* (2013): 191, accessed April 22, 2015, <http://sam.gov.tr/tr/the-turkey-armenia-azerbaijan-triangle-the-unexpected-outcomes-of-the-zurich-protocols/>



pipelines from Azerbaijan passing through Georgia to Turkey including Baku-Tbilisi-Ceyhan (BTC) crude oil pipeline and Baku-Tbilisi-Erzurum natural gas pipeline. Besides, Baku-Tbilisi-Kars railway is in the process of construction<sup>94</sup> and Trans Anatolian Natural Gas Pipeline Project (TANAP) is defined as a huge project that can change dynamics of the region and contribute positively to Turkey's and EU member states' natural gas demands.<sup>95</sup>

Stronger Turkey in the South Caucasus is one of the EU's desires but increasing Turkey's influence in the region is a threat from the perspective of Moscow. Turkey has strong cultural and historical connection with Azerbaijan and has vivid economic relations with Georgia as well. As long as the status quo of Nagorno Karabakh does not change, Armenia will be excluded from all lucrative projects in the region and Turkey, Georgia and Azerbaijan will continue to strengthen their relations.

### **3.3.5 Iran's Relations with the South Caucasus**

The final external actor in the South Caucasus which we should not ignore is the Islamic Republic of Iran. Although it is stated in the Constitution of the Islamic Republic of Iran that Iran will defend all Muslims' rights around the world<sup>96</sup>, it's interesting that the government of Iran adopted a completely different policy in the South Caucasus as it has sided with Armenia in the Karabakh conflict.

Iran's South Caucasus policy is shaped around Azerbaijan because of its common cultural, traditional and historical ties. When Azerbaijan emerged as an independent country, Tehran hoped that this Shia-majority country will be close to

---

<sup>94</sup>Evanthia Balla, "Turkish and Iranian interests and policies in the South Caucasus," Norwegian Peacebuilding Resource Centre (2013): 2, accessed April 22, 2015, [http://peacebuilding.no/var/ezflow\\_site/storage/original/application/4b0857e9346d1c11fcfe98dc3a42c49a.pdf](http://peacebuilding.no/var/ezflow_site/storage/original/application/4b0857e9346d1c11fcfe98dc3a42c49a.pdf)

<sup>95</sup>"Trans Anatolian Natural Gas Pipeline Project," *Why TANAP?* accessed April 22, 2015, <http://www.tanap.com/tanap-project/why-tanap/>

<sup>96</sup>"Iran (Islamic Republic of)'s Constitution of 1979 with Amendments through 1989," *Constitute* (2015): 36, accessed April 22, 2015, [https://www.constituteproject.org/constitution/Iran\\_1989.pdf](https://www.constituteproject.org/constitution/Iran_1989.pdf)

Iran and will stand against the Western political model.<sup>97</sup> However Azerbaijan, especially under the period of Abulfaz Elchibey, chose to integrate with Turkey and with the Western world while ignoring Russia and Iran.<sup>98</sup> This was not welcomed in Iran and the government changed its position towards Azerbaijan.

All these developments pushed Iran to pragmatism in the region and on the issue of Nagorno Karabakh it supported Armenia instead of a Shia-majority country. Iran adapted a pro-Armenian position against Azerbaijan in Nagorno Karabakh problem despite all common historical background and religious sentiments.<sup>99</sup> From the perspective of Iran increasing relations with Armenia was a necessary policy and they were doing what they had to do. Consequently, Iran's interests are shaped based on the relations with Azerbaijan, and its role is very crucial for the future of the South Caucasus.

Azerbaijan's economy is growing very fast because of its natural resources and common energy projects with the Western world. Although Russia and Iran are significant countries in terms of energy supply for the EU, these countries do not seem as trustable actors from the EU's point of view. Azerbaijan's energy policy is not welcomed by Iran particularly in the case of the status of Caspian Sea Iran does not accept Azerbaijan's argument on the issue. Therefore, Iran's position about the Caspian demarcation can be seen as part of Iran's energy policy to obstruct Azerbaijan and thus to continue its important location for Europe.<sup>100</sup> Besides, there is also an ethnic problem in Iran. 16 percent of Iran's population is ethnic

---

<sup>97</sup>Alex Vatanka, "Iranian Influence in the South Caucasus and the Surrounding Region," *Middle East Institute* (2012): 3, accessed April 22, 2015, <http://archives.republicans.foreignaffairs.house.gov/112/HHRG-112-FA14-WState-VatankaA-20121205.pdf>

<sup>98</sup>Balla, "Turkish and Iranian interests and policies in the South Caucasus," 2.

<sup>99</sup>Tornike Sharashenidze, "The Role of Iran in the South Caucasus," *Caucasus Analytical Digest* (2011): 2, accessed April 22, 2015, <http://www.css.ethz.ch/publications/pdfs/CAD-30.pdf>

<sup>100</sup>Brenda Shaffer, "Iran's Role in the South Caucasus and Caspian Region: Diverging Views of the U.S. and Europe," *SWP Berlin* (2003): 21, accessed April 22, 2015, <http://belfercenter.hks.harvard.edu/files/shaffer.pdf>

Azerbaijani Turks and any support to them from Azerbaijan can raise the tension between the countries.<sup>101</sup>

Another dimension of the relations between Baku and Tehran concerns Israel. Azerbaijan's relation with Israel is based on a deeply historical background. There are still around 11,000 Jews living in Azerbaijan, residing primarily in Baku, Sumqayit, Oguz, and the Krasnaya Sloboda settlement in the Quba district of Azerbaijan.<sup>102</sup> In addition, Azerbaijan cooperates with Israel in energy field as well. Azerbaijan currently, delivers 30 percent of oil to the Israeli market and they are working together also in energy security.<sup>103</sup>

---

<sup>101</sup>Balla, "Turkish and Iranian interests and policies in the South Caucasus," 2.

<sup>102</sup>Shamkhal Abilov, "The Azerbaijan-Israel Relations: A Non-Diplomatic, But Strategic Partnership," *Orta Asya ve Kafkasya Araştırmaları* (2009): 149, accessed April 22, 2015, <http://www.usak.org.tr/dosyalar/dergi/gm3veLfV7Q5rP83jaIV34UObvarinb.pdf>

<sup>103</sup>Alexander Murinson, "The Ties Between Israel and Azerbaijan," *The Begin-Sadat Center For Strategic Studies* (2014): 28, accessed April 22, 2015, <http://besacenter.org/wp-content/uploads/2014/10/MSPS110-web.pdf>

### **3. The Policies of Russia and the EU over the South Caucasus**

#### **4.1 Russian Policies in the South Caucasus**

Right after the collapse of the Soviet Union there was uncertainty in the whole post-Soviet region in terms of the foreign policies of the newly established states. In this case, Russia's position became very crucial in that whether the country will follow 'traditional policy' or will start to integrate with the Western world. After a long period under communist rule, the popularity of Western democracy spread fast in Russia. In this period of democratic euphoria and other domestic problems, Russia ignored its traditional aggressive policy towards the former Soviet republics. However, in the period of Yeltsin government, the economy could not recover. Furthermore, the privatization process was not successful; while corruption increased and oligarchs became influential actors in political life. In addition to these factors, the Chechen war erupted in the south of the country and as a result of these events, public opinion negatively changed towards democratization process as well as integration with the West.<sup>104</sup>

Those conditions forced the country to adopt a different path and Putin's coming to power changed the dynamics. Under the rule of Putin, important changes occurred in domestic politics such as greater centralization stripping the power of the peripheries. More importantly, Russian foreign policy changed to a great extent under Putin's rule. After ruling the post-Soviet region for more than 200 years, it was not easy to accept the sovereignty of those independent states. Therefore, these regions were defined as 'near abroad' or 'Russian sphere of influence'. Within this context, the Russian policy towards the South Caucasus was designed for guaranteeing Russian dominance whether through cooperation or.<sup>105</sup>

---

<sup>104</sup>Abushov, "Policing the near abroad: Russian foreign policy in the South Caucasus," 189.

<sup>105</sup>Ibid., 190.

However despite this revivalist approach, Russia did not develop systematic policies against the former Soviet republics; as Russia did not perceive these regions the way the EU or the USA did. Russia did not feel the need to design specific policies as this region was under its influence for a long time. However Russian actions indicate that Russia strongly considers the South Caucasus as a part of its major foreign policy interest.

#### **4.1.1 Armenia**

Among the former Soviet Republics, Armenia is the closest partner to Russia and the reason of this alliance based on security and economy. Armenia's maneuvering space is limited because of the Nagorno Karabakh issue. This problem forces Armenia to not easily leave the Russian sphere of influence. The country is isolated by Turkey and Azerbaijan and feels insecure between these states. In this case, Russia is the sole guarantor of Armenia's security. Armenia is the member state of the CSTO, which stipulates that in the event of military aggression the other member states (Russia) have to defend Armenia.<sup>106</sup> Moreover, Russia has three military bases<sup>107</sup> in Armenia, which means Russian military protects Armenian borders.

While Russia is there to protect Armenian borders from any threat coming from its neighbors, Russia has in turn some expectations from Armenia. Armenia allows Russia to maintain its hegemonic presence in the South Caucasus and it is a vital issue for Russia because it is the only country in the region where Russia has military bases.<sup>108</sup> Of course we cannot ignore the Russian military bases in South Ossetia and Abkhazia but the status of these *de facto* independent states is one of the most problematic issues in the region.

---

<sup>106</sup> Delcour, "Faithful But Constrained? Armenia's Half-Hearted Support for Russia's Regional Integration Policies in the Post-Soviet Space," 40.

<sup>107</sup> Minassian, "Armenia, a Russian Outpost in the Caucasus?," 11.

<sup>108</sup> Sergey. "Russian-Armenian Relations: Affection or Pragmatism?" 2.

Russian policy towards Armenia is defined by the Nagorno Karabakh problem as this conflict is the only inter-state war between two CIS members. The problem is crucial for both Armenia and Azerbaijan and therefore for Russia it is the best tool to influence Armenia and keep Azerbaijan in Russia's sphere. In this regard, serving as the co-chairman of the OSCE Minsk Group for the resolution of the Nagorno Karabakh conflict provides more power to Russia. Preserving the status quo in Nagorno Karabakh issue is significant for Russia because it can use the conflict as leverage against both Yerevan and Baku.<sup>109</sup>

Apart from military cooperation, Russia and Armenia have deep economic ties, which is particularly crucial for Armenia because of its landlocked position and possession of few natural resources. In addition to this weak economy, having double-blocked borders make Armenian economy even worst. Armenia depends on Russia in the energy field as well and Moscow uses its natural resource as a major instrument for pressuring Yerevan.<sup>110</sup>

Furthermore, the Eurasian Custom Union, which was established in January 1, 2010, is very important from the perspective of the Russian Federation and the Union enlarged and included Kyrgyzstan and Armenia on January 1, 2015.<sup>111</sup> Obviously, being a member state of the Eurasian Custom Union heavily promoted Armenian multifaceted dependency on Russia<sup>112</sup> and from this time, Russia has a stronger hand to use Armenia as its outpost in the region.<sup>113</sup>

---

<sup>109</sup>Abushov, "Policing the near abroad: Russian foreign policy in the South Caucasus," 196.

<sup>110</sup>Sergei Minasyan, *Russia and Armenia*, Edited by Karmotüür and Viacheslav Morozov, (2014): 158, accessed May 5, 2015, <http://www.ut.ee/ABVKeskus/sisu/prognoosid/2014/en/pdf/RF2014.pdf>

<sup>111</sup>Eurasian Economic Commission, "Armenia is now in the Eurasian Economic Union," (2015), accessed May 5, 2015, <http://www.eurasiancommission.org/en/nae/news/Pages/02-01-2015-1.aspx>

<sup>112</sup>Delcour, "Faithful But Constrained? Armenia's Half-Hearted Support for Russia's Regional Integration Policies in the Post-Soviet Space." 43.

<sup>113</sup>Gaitz Minassian, "Armenia, a Russian Outpost in the South Caucasus?," *Russia/NIS Center* (2008): 7.

As discussed above the Russian policy towards Armenia has not been very complicated. Especially after the period of Yeltsin, this policy became clearer under the rule of Putin. Russia needs a strong partner in the South Caucasus to regain its great power status and maintain its hegemony in the region. In this case, Armenia is the most suitable country among the South Caucasian republics as Armenia is most dependent on Russia.

#### **4.1.2 Azerbaijan**

After the collapse of the Soviet Union, Azerbaijan and Russia became independent states as the other post-Soviet countries but independence means different things for each these republics. During the initial years of the independence of Azerbaijan, most of the Azerbaijanis had a negative view towards possible Russian future actions, as much of the population were remembering Russian oppressive practices of the past and were uncomfortable about the Russian support to Armenia. However, Azerbaijan is a very important country for Russia in terms of maintaining its power in the South Caucasus.<sup>114</sup>

The relations between Russia and Azerbaijan can be divided into four stages. The first stage is the period of Ayaz Mutallibov who was the first president of the Republic of Azerbaijan. In 1991 when Azerbaijan became an independent state, Russia refused to establish diplomatic relations with the country. Despite Mutallibov's pro-Russian tendency, Russia rejected the Friendship and Cooperation Treaty which was proposed by Azerbaijan. However, Russia's view toward Azerbaijan changed in 1992. On April 3, 1992 Russian Foreign Minister Kozyrev visited Baku and Russia recognized Azerbaijan as an independent country on the 4th April, the same year. While the government of Azerbaijan was for developing

---

<sup>114</sup>Araz Aslanlı, "Azerbaijan-Russia Relations: Is The Foreign Policy Strategy Of Azerbaijan Changing?," *Turkish Policy Quarterly* (2010): 138-139, accessed May 7, 2015, <http://turkishpolicy.com/article/Azerbaijan-Russia-Relations-Is-Foreign-Policy-Strategy-of-Azerbaijan-Changing-Fall-2010-540>

relations with Russia, the legislative's approach to Russia was different as the parliament refused to join the CIS.<sup>115</sup>

Despite opposition's disagreements, Mutallibov followed a pro-Russian policy and he expected support from Moscow against Armenia. However, Mutallibov was frustrated when Russian army supported Armenia during the Khojaly Massacre on February 26, 1992. Finally he was forced to resign by the opposition. On March 6, 1992 he resigned from his position until the next election Azerbaijan ruled by Yakup Memmedov.<sup>116</sup>

The second stage in the relations between Azerbaijan and Russia stood out in June 1992 when Azerbaijan Popular Front (APF) took power under the rule of Elchibey. While he was well known as a nationalist leader, Elchibey did not completely ignore relations with Russia. In contrast, he tried to develop relations with Russia as two equal states. For this purpose he made an official visit to Moscow and signed a total of 30 agreements in various fields including the Friendship and Cooperation Treaty in 1992. Yeltsin also played a very crucial role in the development of relations with Russia. Yeltsin's main goal was to integrate with the Western world and to establish a democratic Russia. Therefore, recognition of Azerbaijan and developing relations with this country was a natural process for him. Apart from his political view, during the August Coup against Yeltsin's government in 1992, the APF supported the government and this attitude contributed positively to the relations of these countries.<sup>117</sup>

In spite of all developments between Russia and Azerbaijan, the tension continued between these two states. From Elchibey's government's point of view, Russia was promoting Armenia both economically and militarily in the Karabakh War. The roots

---

<sup>115</sup>Ibid.

<sup>116</sup>Fırat Karabayram, "Rusya Federasyonu'nun Güney Kafkasya Politikası" (Master Diss., Atılım Üniversitesi, 2007), 185.

<sup>117</sup>Karabayram, "Rusya Federasyonu'nun Güney Kafkasya Politikası." 187.



of Azerbaijan's insecurity towards Russia can be traced back to the policies of Tsarist era.<sup>118</sup> The popular view in Azerbaijan is that Armenia cannot occupy the territory of Azerbaijan without the Russian support. The APF adopted policies to remove the Russian military presence in the country and refused to join the CIS. The position of the APF was not welcomed by Moscow and as a result of the June 1993 Coup, Elchibey had to leave his position.<sup>119</sup>

The third period between the two sides started with the president Heydar Aliyev coming to power who was elected with 99 percent of the vote in the election of October 3, 1993. Aliyev's priority was an appeasement policy towards Russia and then creating balance between West and Russia in Azerbaijan's foreign policy.<sup>120</sup> In this case, Aliyev halted Western company's actions in Azerbaijan and even their bank accounts were frozen on June 22, 1993.<sup>121</sup> From Aliyev's point of view, Moscow's support was compulsory to stop the Nagorno Karabakh War. For this reason, Aliyev visited Moscow in the summer of 1993 and showed his eagerness for joining the CIS. Even he directed a question to the opposition who objected to join CIS in the parliament as: 'which ally are you offering?'<sup>122</sup> However, Aliyev refused the agreements, which could be against Azerbaijan's interests. For instance, the government rejected to sign an agreement about defending the CIS borders on May 1995 in the Minsk. He did not agree with the idea of a unique border, for him, there were own borders for each of the CIS states and it was their internal issue for defending their borders. Moreover, Azerbaijan signed the Contract of the Century

---

<sup>118</sup>Fariz Ismailzade, "Azerbaijan's Tough Foreign Policy Choices," UNISCI Discussion Papers (2004):2, accessed May 7, 2015,

<sup>119</sup>Aslanlı, "Azerbaijan-Russia Relations: Is The Foreign Policy Strategy Of Azerbaijan Changing?," 139.

<sup>120</sup>Karabayram, "Rusya Federasyonu'nun Güney Kafkasya Politikası." 192.

<sup>121</sup>Aslanlı, "Azerbaijan-Russia Relations: Is The Foreign Policy Strategy Of Azerbaijan Changing?," 139.

<sup>122</sup>Karabayram, "Rusya Federasyonu'nun Güney Kafkasya Politikası." 192.

with Western companies on 20 September 1994 and Russian company Lukoil acquired 10 percent of its shares.<sup>123</sup>

The final stage in the relations between Russia and Azerbaijan took place under the rule of Russian President Vladimir Putin. After the presidency period of Yeltsin, Putin was determined to reconsolidate the Russian power in the post-Soviet space and designed a foreign policy for this aim. From the initial years of his presidency, Putin searched new projects to reintegrate the former Soviet republics but he could not be successful. After long negotiations, Putin finally succeeded in establishing the CSTO on October 7, 2002<sup>124</sup> and the Eurasian Economic Union (EEU) in 2015, which is a very controversial issue in terms of the real aim of the Union. However, despite having good relations with Azerbaijan, Putin's government could not be successful to convince Azerbaijan in terms of making the country a member of the CSTO or the EEU.

Neither Yeltsin nor Putin visited Baku between 1991 and 2001. Finally on 9 January 2001, Putin came to Baku.<sup>125</sup> Along with this visit the policies of Russia changed towards Azerbaijan and the relations became more relaxed. However, Azerbaijan's energy policy with the European Union did not change after Heydar Aliyev. His successor İlham Aliyev even further improved the relations with the EU in this field and continued his father's successful balanced policy. Aliyev's policies in terms of energy pipelines, which are completely against the Russian interests in the region, force Russia to adopt a negative attitude towards Azerbaijan to discourage the country from its energy policy. In this regard, Russia tries to integrate Azerbaijan

---

<sup>123</sup>Elnur İsmayilov, "Yüzyıl Rusya Dış Politika Doktrinleri'nde Güney Kafkasya ve Orta Asya Değerlendirmesi," *Journal of Political Science* (2013): 99, accessed May 7, 2015, <http://e-dergi.marmara.edu.tr/marusbd/article/view/1012001215/1012001037>

<sup>124</sup>İsmayilov, "Yüzyıl Rusya Dış Politika Doktrinleri'nde Güney Kafkasya ve Orta Asya Değerlendirmesi," *Journal of Political Science* (2013): 97.

<sup>125</sup>Aslanlı, "Azerbaijan-Russia Relations: Is The Foreign Policy Strategy Of Azerbaijan Changing?" 141.

more with its recent projects such as the Eurasian Union. With this goal in mind, Russia is pressing hard on Azerbaijan in the last years.<sup>126</sup>

One of the most important elements in the relation between Azerbaijan and Russia is the Nagorno Karabakh issue. Actually, this is the main tool in the hand of Russia to manipulate Azerbaijan and to keep this country in its orbit. Azerbaijan is not happy in terms of Russian mediation mission in the Nagorno Karabakh conflict because it is aware of the Russian interests in the region. One of the Russian proposals about the resolution of the conflict, named *Pax Russica*<sup>127</sup>, suggests that the deployment of Russian troops between Azerbaijan and Nagorno Karabakh border for a peacekeeping mission. However, Azerbaijan strongly objects to this proposal because it can be an excuse for Russian troops to return to Azerbaijan. The same scenario was observed in Georgia in the case of South Ossetia and Abkhazia which ended up with the recognition of these areas.<sup>128</sup>

The analysis of Russian role as a mediator in the Nagorno Karabakh conflict indicates that its genuine aim is not to resolve the problem but rather use this role for manipulating or freezing the negotiations between Azerbaijan and Armenia for its national interests which is the revival of the Russian power in the former Soviet space. Russia does not allow any other external actor's intervention to the resolution of the problem. For example the rapprochement between Turkey and Armenia in 2009 was a concerning sign for Russia in this regard.<sup>129</sup> Turkey's involvement with the South Caucasus can emerge a threat to Russian dominance in

---

<sup>126</sup>İsmayilov, "Yüzyıl Rusya Dış Politika Doktrinleri'nde Güney Kafkasya ve Orta Asya Değerlendirmesi," *Journal of Political Science* (2013): 99.

<sup>127</sup>Thomas de Waal, "Can The 'Medvedev Moment' Be Saved for Karabakh?," *Radio Free Europe* (2011), accessed May 10, 2015, [http://www.rferl.org/content/medvedev\\_moment\\_saved\\_nagorno\\_karabakh\\_kazan/24279692.html](http://www.rferl.org/content/medvedev_moment_saved_nagorno_karabakh_kazan/24279692.html)

<sup>128</sup>Anar Valiyev, "Azerbaijan-Russia Relations after The Five-Day War: Friendship, Enmity, or Pragmatism?," *Turkish Policy Quarterly* (2011): 136-137, accessed May 7, 2015, <http://turkishpolicy.com/article/Azerbaijan-Russia-Relations-after-Five-Day-War-Friendship-Enmity-or-Pragmatism-Fall-2011-640>

<sup>129</sup>Valiyev, "Azerbaijan-Russia Relations after The Five-Day War: Friendship, Enmity, or Pragmatism?," *Turkish Policy Quarterly* (2011): 137.

the region and that is why Russia instigated Baku against Turkey during the negotiations between Yerevan and Ankara. In the meantime, Moscow provoked Azerbaijanis against Turkey's rapprochement process with Armenia by using pro-Russian media in Azerbaijan. Moscow was the most profitable side at the end of the process. Russia remained a dominant power in Armenia's foreign policy and obstructed Turkey's rapprochement with Armenia.<sup>130</sup>

#### **4.1.3 Georgia**

From the Russian point of view, Georgia is the most problematic country that Russia has relations in the South Caucasus since the collapse of Soviet Union. Georgia is also one of the most essential countries that Russia needs to keep under its sphere of influence for dominance in the region. Therefore, Russia tries to maintain its relations with Georgia in spite of everything that happens between these countries. The destiny of the relations between Russia and Georgia was determined at the end of the Soviet Union by the ethnic conflicts, which emerged in Georgia. The presence of Russian military bases further complicated the matter in Georgia.

Before the invasion of the Russian Empire, Ossetians and Georgians were living together in the area situated in the northeastern part of Georgia. Because similarities in national culture, these two ethnicities did not have any conflict with each other and intermarriage was common between them (Stalin's mother for example was Ossetian while his father was Georgian). Furthermore, Georgians and Ossetians revolted together against the Tsarist Russian rule during the nineteenth century. However, this picture changed with the Georgian nationalism emerged by the end of the nineteenth and early twentieth century. When Georgians declared independence, right before the Soviet occupation, Ossetians began to struggle against Tbilisi. However, Georgian government bloodily suppressed them during their independence years. The assimilation policy started during Stalin's period by

---

<sup>130</sup> Efgan Niftiyev, "Why Did Russia Support Turkish-Armenian Rapprochement?," *The Washington Review of Turkish & Eurasian Affairs* (2010), accessed July 20, 2015, <http://www.thewashingtonreview.org/articles/turkisharmenian-rapprochement.html>

Georgians while the response of the South Ossetians to this policy was demanding unification with North Ossetia.<sup>131</sup>

Abkhazs are another ethnic group which is located in the northwestern part of Georgia occupying the Black Sea coastal area. Abkhazs are linguistically and ethnically different than Georgians. The Tsarist Empire conquered the region in 1864 and because of the invasion some Abkhazs who were Muslim fled to the Ottoman Empire while some of them converted to Christianity. Today, both religions are observed among the Abkhazs but this difference does not very much affect their national unity. During the Stalin period, Abkhazia became an Autonomous Soviet Socialist Republic as part of Georgia in 1936. Since that time, Georgians are conducting an assimilation policy through demographic means, promoting Georgians to move to Abkhazia. In 1978 the assimilation policy culminated which resulted in Abkhazs becoming more disquiet in their region.<sup>132</sup>

By the end of 1980s, nationalist movements surfaced in all over the Soviet Union including Georgia. The policy of Sovietization was not successful and demonstrations during the perestroika and glasnost showed once again that nations did not disappear. In the Georgian case in October 1990, a nationalist authority came to power and started to spread the idea of creating a nation state. Zviad Gamsakhurdia was the first president of Georgia who was against minorities' demands and also Moscow.<sup>133</sup> He offered a 'Caucasian House' as an idea (establishing a coalition against Moscow), which was welcomed by Chechnya and Azerbaijan. However, Ossetian and Abkhazians understood that idea would not provide any advantages for the future of Ossetia and Abkhazia. They disliked the idea, which was proposed by the Georgian nationalist president. Besides many

---

<sup>131</sup> Athanasios Iasonidis, "Foreign Relations between Russia and Georgia: From the Independence to the Russian Invasion", (MA diss., University of Macedonia, 2011)." 18-19.

<sup>132</sup> Iasonidis, "Foreign Relations between Russia and Georgia: From the Independence to the Russian Invasion" 17-18

<sup>133</sup> Karabayram, "Rusya Federasyonu'nun Güney Kafkasya Politikası" 140.

Chechens were fighting against Georgia in the battle of Abkhazia which proved that Chechens would not support Caucasian integration.<sup>134</sup> From Moscow's perspective, conflicts were a good instrument to manipulate the region.

Both the elites of Abkhazians and Ossetians felt threatened when Georgian nationalism flourished and declared independence in October 1990. Demanding more autonomy from Moscow by these ethnic groups triggered Georgian nationalism which promoted more radicalism among these groups against Tbilisi. When South Ossetia declared independence, Gamsakhurdia abolished their autonomous status, which resulted in a war in South Ossetia. The tension culminated in 1992 and even spread to North Ossetia. Therefore, Yeltsin pressed Shevardnadze to sign an agreement concluding the war in June 1992.<sup>135</sup>

After the South Ossetian conflict, another war took place in Abkhazia in August 1992. In that war, Georgian military met with heavy resistance once again after the South Ossetia. The conflict continued until May 1994 when a ceasefire agreement was signed between the sides under the Russian patronage. Before the ceasefire, Georgia had to join the CIS as it feared of further destabilization in its territory as a result of not signing it. Joining the CIS made easier to and agreed peace between Tbilisi and its 'problematic' regions.<sup>136</sup>

The relations between Russia and Georgia reached to its worst point in August 2008 when Tbilisi launched a new operation against South Ossetia. In that time Moscow's reaction to that operation increased the tension. Saakashvili's government tried to retake South Ossetia and consolidate Tbilisi's power in Tskhinvali which is the capital of the region. Russia has military forces in the territory for peacekeeping between Georgia and its breakaway province. During the operation Russian soldiers

---

<sup>134</sup>Abushov, "Policing the near abroad: Russian foreign policy in the South Caucasus," 192-193.

<sup>135</sup>Samuel Charap and Cory Welt, "A More Proactive U.S. Approach to the Georgia Conflicts," *Center for American Progress* (2011): 6, accessed May 19, 2015, <https://www.americanprogress.org/wp-content/uploads/issues/2011/02/pdf/georgia-report.pdf>

<sup>136</sup>Ibid.

was killed by Georgian troops and this attack threatened Russia's presence in the territory. Therefore, immediately Moscow made its decision and intervened into Georgia. The war lasted five days and resulted in loss of hundreds of lives and influx of refugees.<sup>137</sup> Furthermore, Russia recognized the independence of South Ossetia and Abkhazia right after the war.<sup>138</sup> The conflicts in Georgia still not solved and waiting for a peaceful resolution but it seems that the status quo will continue in the region for the near future. Such developments will also determine the future of the worsened relations between Russia and Georgia.

#### **4.2 The EU's Policies in the South Caucasus**

Different from the Russian Federation, the EU designs unique policies towards its neighboring countries in order to develop its relations with these states. Obviously in terms of the political systems, it is not easy to compare the EU member states with Russia as there is a wide gap between them in terms of democracy. Russia moved directly towards a socialist system with an empire mentality still influential; while the EU comprised of democratic and capitalist countries from the beginning. The idea of a peaceful union among the European states is very unique as well. Therefore, the EU's perception towards its neighboring countries is different than the Russian Federation.

After the collapse of the communist systems, the European Union found many new neighboring countries in the East. Over the years, the EU developed various mechanisms to improve its relations with these new established countries. After the fifth enlargement of the Union in 2004 and 2007, the EU territory now covers a larger area and with the new member states in the Central and Eastern Europe, the Union has suddenly become neighbors with the former Soviet Republics.

---

<sup>137</sup>Charles King, "The Five-Day War," *Foreign Affairs* (2008): 2, accessed June 30, 2015, <https://www.foreignaffairs.com/articles/russia-fsu/2008-11-01/five-day-war>

<sup>138</sup>Reha Yilmaz, "Bağımsızlık Sonrası Dönemde Rus-Gürcü İlişkileri ve Kırılma Noktaları," *Avrasya Etüdler* (2010): 28, accessed May 20, 2015, [http://uvf.ulakbim.gov.tr/uvf/index.php?cwid=9&vtadi=TSOS&c=ebsco&ano=122392\\_8a4623b3add0ea47efcd702ddc68ad53&?](http://uvf.ulakbim.gov.tr/uvf/index.php?cwid=9&vtadi=TSOS&c=ebsco&ano=122392_8a4623b3add0ea47efcd702ddc68ad53&?)

In the initial years after the collapse of the Soviet Union, the EU's interests towards the region were limited. The EU first came up with the European Neighborhood Policy (ENP) however later felt the need to modify its foreign policy with a more specific focus on the Eastern neighboring countries. Therefore, the Eastern Partnership model was designed that involved six FSU republics (Georgia, Azerbaijan, Armenia, Moldavia, Ukraine and Belarus). Along with the EU, there are other external actors who consider the region having crucial importance therefore creates many obstacles to the Union while implementing its policies on its Eastern partners. In this part of my thesis, I will analyze the EU's Eastern Partnership with a particular focus on the South Caucasian republics. In order to understand the EU's policy towards the South Caucasus, I will first examine the ENP and Eastern Partnership (EaP) policies in detail.

#### **4.2.1 The European Neighborhood Policy**

As a result of the geopolitical changes in the east of the European Union in early 1990s, the EU's borders changed. Since 1990s, new discussions began in the EU in terms of its new neighbors whether they will have accession to the Union or not. After long discussions about the membership issue, the EU started to accept its eastern neighbors as full members to the Union. These countries were eager to join the EU because of the expected benefits of becoming full member in terms of economic and political development.

During the fifth enlargement period between 2004 and 2007, The EU accepted ten countries as new members. The new members meant new borders and new neighbors. Therefore the EU has started to design new policies in the changing circumstances. Improving relations with the new countries in the east of the EU was mandatory for the future of the Union because new borders were not stable and prosperous enough.<sup>139</sup> However, further enlargement of the EU is not possible for

---

<sup>139</sup>Edzard Wesselink and Ron Boschma, "Overview of the European Neighborhood Policy: Its History, Structure, and Implemented Policy Measures," *Project Sharing Knowledge Assets: Interregional*



the time being; therefore the EU needed to develop alternative policies that are short of membership for the new neighboring states. Romano Prodi who was the president of the EU Commission stated that ‘everything’ must be offered to the new neighboring countries except ‘institutions’.<sup>140</sup> Actually this expression summarized the aim of the European Neighborhood Policy (ENP).

The ENP was launched officially in March 2003<sup>141</sup> as an alternative to the EU’s traditional policy.<sup>142</sup> The policy was designed to develop relations between the EU and its neighboring countries by creating opportunities in terms of economic integration with the Union and to make the rules easier for accessing the EU’s internal markets. For these purposes, the EU also promotes political and economic reforms in the targeted countries.<sup>143</sup>

Today the ENP include Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Palestine, Syria, Tunisia, and Ukraine. The EU followed different policies in the case of the new neighboring countries, which prioritizes promoting democracy; consolidate respect for human rights and increasing prosperity.

---

*Cohesive Neighborhoods* (2012): 7, accessed May 13, 2015, <http://www.ub.edu/searchproject/wp-content/uploads/2012/02/WP-1.4.pdf>

<sup>140</sup>Michele Comelli, Atila Eralp and Çiğdem Üstün, “The European Neighbourhood Policy and The Southern Mediterranean Drawing from the Lessons of Enlargement,” *Midde East Technical University Press* (2009): 17, accessed May 16, 2015, [http://www.ces.metu.edu.tr/docs/european\\_neighbourhood\\_policy.pdf](http://www.ces.metu.edu.tr/docs/european_neighbourhood_policy.pdf)

<sup>141</sup>Sevilay Kahraman, “The European Neighbourhood Policy: The European Union's New Engagement Towards Wider Europe,” *Perceptions* (2005): 3, accessed May 16, 2015, <http://sam.gov.tr/wp-content/uploads/2012/01/Sevilay-Kahraman.pdf>

<sup>142</sup>Stefan Lehne, “Time To Reset The European Neighborhood Policy,” *Carnegie Europe* (2014): 3, accessed May 14, 2015, [http://carnegieendowment.org/files/time\\_reset\\_enp.pdf](http://carnegieendowment.org/files/time_reset_enp.pdf)

<sup>143</sup>European Commission, “Towards a new European Neighbourhood Policy,” *High Representative Of The European Union For Foreign Affairs And Security Policy* (2015): 2, accessed May 16, 2015, <http://ec.europa.eu/enlargement/neighbourhood/consultation/consultation.pdf>

After a decade from the establishment of the ENP, scholars argue whether the policy work properly or has already lost its attractiveness, thus needs to be redesigned. In this regard, Stefan Lehne emphasizes that the ENP policy does not work anymore and the Union should change its policy towards the neighboring countries. According to him one of the most critical points of the ENP is offering no accession for the target states, which disheartens the countries for reforming their systems.<sup>144</sup> Moreover, since the ENP launched actively, the EU's 'ring of friends'<sup>145</sup> became unstable which in turn negatively affected the implementation of the policy. In this case, starting with the Arab Spring, Southern neighborhoods became unstable and despite democratic hopes at the beginning of movements, it brought to the region authoritarian regimes (except Tunisia) again.<sup>146</sup> In the Eastern side, the scenario is not much different than the other regions. August War of 2008 between Russia and Georgia showed that without resolution of the conflicts in the region, the EU's policies in its neighboring countries wouldn't be effective.

Arab Spring particularly forced the EU to adapt a new principle 'more for more' in the ENP.<sup>147</sup> The principle basically means that those countries who are reforming their economic systems and progressing in democracy will be receiving more aid by the Union. Adaptation of this principle is informative in terms of the future of the ENP because bringing this standard means the ENP had already become ineffective and the EU needs new policy.

---

<sup>144</sup>Lehne, "Time to Reset The European Neighborhood Policy" 1.

<sup>145</sup>David Cadier, "Is the European Neighbourhood Policy a substitute for enlargement?," *The London School of Economics and Political Science* (2013): 53, accessed May 16, 2015, [http://www.lse.ac.uk/IDEAS/publications/reports/pdf/SR018/Cadier\\_D.pdf](http://www.lse.ac.uk/IDEAS/publications/reports/pdf/SR018/Cadier_D.pdf)

<sup>146</sup>Lehne, "Time To Reset The European Neighborhood Policy," 5.

<sup>147</sup>Cadier, "Is the European Neighbourhood Policy a substitute for enlargement" 57.

#### 4.2.2 The Eastern Partnership and the South Caucasian Republics

The EU's Eastern Partnership (EaP) is the eastern dimension of the ENP and includes Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine. The project was launched on the 7<sup>th</sup> of May, 2009 with Prague Summit.<sup>148</sup> After the consecutive enlargements, the EU found itself in a new neighborhood context in the Eastern Europe and the South Caucasus. These regions security issues, prosperities and stabilities are increasingly related with the EU. The EaP provides these countries with the opportunity to integrate more with the Union while increasing political, economic and cultural ties.<sup>149</sup>

Implementation of the ENP policy in a vast and diverse geography challenged the Union's work and separation of these regions (South and East) became inevitable. Therefore, for first time in 2008, Poland and Sweden offered to divide the ENP policy and to improve special relations with the six post-Soviet republics in the East. Indeed the emergence of this differentiation between the East and the South in the ENP policy is related with the debates inside the EU member states who disagree over the future of the Union being in the south or in the east.<sup>150</sup>

In this context, one should focus on the reasons of the Union's preference for designing its foreign policy as such while focusing more on Eastern Europe and the South Caucasus. It is explained, as Eastern Partnership countries are the immediate neighbors of the European Union and their stability, security and prosperity directly

---

<sup>148</sup> Council of the European Union, "Joint Declaration of the Prague Eastern Partnership Summit," 8435/09 (*Presse 78*) (2009) accessed May 16, 2015, [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/er/107589.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/107589.pdf)

<sup>149</sup> European Union, "EU Relations with Eastern Partnership," accessed May 16, 2015, [http://eeas.europa.eu/eastern/about/index\\_en.htm](http://eeas.europa.eu/eastern/about/index_en.htm)

<sup>150</sup> Rafał Sadowski, "Partnership in times of crisis challenges for the Eastern European countries' integration with Europe," *Centre for Eastern Studies* (2013): 13, accessed May 14, 2015, [http://www.osw.waw.pl/sites/default/files/pw\\_36\\_en\\_partnership\\_net.pdf](http://www.osw.waw.pl/sites/default/files/pw_36_en_partnership_net.pdf)

affects the welfare of the Union.<sup>151</sup> Therefore, giving more importance to the Eastern neighbors of the Union is understandable from the point of the EU.

Besides this, some scholars evaluate this newly launched policy as a reaction to the Russian attitude towards the common neighbors between the EU and Russia. Neither Ukraine nor Georgia was admitted to the NATO Membership Action Plan process. The EU started a new policy towards its Eastern neighbors to compensate for the 'frustration' after the 2008 NATO summit in Bucharest. The Union made the same mistake similar to the ENP under the EaP program. The EU did not offer any initiatives (like full membership) to encourage Eastern Partnerships for launching economic and political reforms in these countries.<sup>152</sup>

#### **4.2.2.1 The EaP in Practice**

The Eastern Partnership works on two parallel levels which are bilateral dimension and multilateral dimension. The aim of bilateral dimension is to support closer relations between the EU and the Eastern Partnerships through promoting good governance, the rule of law, fundamental rights along with sustainable economic and social development. Furthermore, offering new contractual relations to Eastern partners via Association Agreements (AAs) and Deep and Comprehensive Free Trade Areas (DCFTAs) are the main goals of the bilateral dimension. The Multilateral dimension provides thematic platforms where the EU and its partners can meet and address common problems. Flagship initiatives can be given as an example for multilateral cooperation in regional cooperation in areas such as energy sector,

---

<sup>151</sup>Eastern Partnership, "Questions and Answers," *EU Neighborhood Info Centre* (2013): 3, accessed May 15, 2015, [http://www.enpi-info.eu/files/publications/Eastern%20Partnership%20Q&A%20PDF\\_EN.pdf](http://www.enpi-info.eu/files/publications/Eastern%20Partnership%20Q&A%20PDF_EN.pdf)

<sup>152</sup>Laurynas Kasčiūnas and Dovilė Šukytė, "The future of the EU's Eastern Partnership – challenges and opportunities for Lithuania's foreign policy," *Eastern Europe Studies Centre* (2013): 1, accessed May 14, 2015, [http://www.eesc.lt/uploads/news/id660/Eastern%20Pulse%203%20\(48\).pdf](http://www.eesc.lt/uploads/news/id660/Eastern%20Pulse%203%20(48).pdf)

environmental issues, border management, immediate response to natural disasters, or promoting small enterprises.<sup>153</sup>

One of the main attractions of the Eastern Partnership program for targeted countries is the economic aid coming from the European Union. 'More for more' principle, which was already mentioned above is the main instrument to encourage the partners for more reforms in their countries. In this framework, the Eastern Partnership Integration and Cooperation programme (EaPIC) started in 2012 and thanks to this program the partners (Armenia, Moldova, and Georgia) that progressed in terms of democracy and respect of human rights received extra resources (150 million Euro) from the Union.<sup>154</sup>

Although the European Union separated its Southern and the Eastern foreign policy, there is no further division among Eastern partners for the EU. However those six countries in the East have different interests and expectations from the EU. There are frozen conflicts in the region, which are vital issues from the perspective of the partner countries. These conflicts indeed are affecting the foreign policy of those six countries and determine whether they should follow the EU's values or not.

The EU is not the only actor which is eyeing on Eastern Partners. Therefore, the Union should take into consideration particularly Moscow's influence while making policies on this region. The regions are post-Soviet space where the EU is considering and thinking these regions without any external power is unrealistic. Moldova, Ukraine and Belarus in the Eastern Europe and Azerbaijan, Armenia and Georgia in the South Caucasus are heavily dependent on Moscow. Indeed not all these countries depend on Russia at the same level however all of these states need to consider Russia while designing their foreign policy.

Although the EU's policymakers emphasize that the EaP is not against any country, Russia feels threatened by it. The serious effects of the Eastern Partnership

---

<sup>153</sup> Eastern Partnership, "Questions and Answers," 3.

<sup>154</sup> Ibid., 5.

occurred after the Vilnius Summit in 2013 when Viktor Yanukhovich changed the direction of Ukraine's foreign policy from Brussels to Moscow. After the huge demonstrations against his decision in the Euromaidan events, pro-Russian supporters arose as well. Ongoing war in the eastern part of the country and annexation of Crimea brought Ukraine into chaos. After Vilnius Summit, the next Summit became very essential in the eyes of both Russia and the EU. The last Summit, which was held in Riga on 21-22 May 2015, showed us that there are many problems between the EU and its partners and thus the EaP needs more time to develop closer ties with the EU and the target states.

The contention between the EU and Russia was observed in the Riga Summit in terms of Crimea's annexation (whether it is 'illegal' or not). The position of Armenia and Belarus became clearer in this case when they objected to agree on the term 'illegal'. Azerbaijan's point is uncertain, neither agreed nor objected to the statement because of the Nagorno Karabakh issue.<sup>155</sup> Azerbaijan wants to see the EU's support in its territorial integrity, but the Union avoids from supporting any side and prefers to be neutral in the Nagorno Karabakh case.

During the Riga Summit, the EU policymakers accused Russia due to its aggressive foreign policy. The EU president Donald Tusk said:

If Russia was a bit softer, more charming, more attractive, perhaps it would not have to compensate its shortcomings by destructive, aggressive, and bullying tactics against its neighbors.<sup>156</sup>

Besides him, the German Chancellor Angela Merkel's speech is very crucial as well. She repeated again that the EaP is not a tool for the EU to enlarge its influence in the post Soviet region. She said that the EU has "crystal clear difference with Russia", the Union does not force any policy on its partners and added that:"we

---

<sup>155</sup>Rikard Jozwiak, "Disagreements Shadow EU Eastern Partnership Summit," *Radio Free Europe*, May 22, 2015, accessed May 27, 2015, <http://www.rferl.org/content/eu-eastern-partnership-summit-text-wording/27030727.html>

<sup>156</sup>Alastair Macdonald And Adrian Croft, "EU defies Russian 'bully' but disappoints ex-Soviets," *Reuters*, May 21, 2015, accessed May 28, 2015, <http://www.reuters.com/article/2015/05/21/us-ukraine-crisis-eu-idUSKBN0062EL20150521>

accept that the different Eastern Partnership nations can go their own way and we accept these different ways."

After Russia was given those important messages, at the end of Riga Summit, Joint Declaration of the Eastern Partnership Summit was announced. Instead of using the term 'all the sides', "the EU reaffirm its position against the illegal annexation" was used in the Joint Declaration. However, Belarus and Armenia objected to the use of the term 'illegal' annexation for Crimea.<sup>157</sup> This incident is a good example to observe the ideological gap between the EU and its partners.

#### **4.2.2.2 The EU's Relations with Armenia within the EaP Context**

The case of Armenia is quite complicated. The country is the closest partner of Russia among the South Caucasus republics and therefore the situation strongly determines the relations between Armenia and the EU. The integration with the EU seems to bring more disadvantages to national interests of Armenia rather than benefits because of its dependence on Russia. Nagorno Karabakh is the most crucial issue in Armenia and without Moscow's support it would not be easy take lead to Azerbaijan. In other words, democracy is sacrificed in the form of state's self-defined preemptive national interests.

Armenia is situated in the South Caucasus and is one of those countries, which are included in the Eastern Partnership program. According to the European Integration Index of 2013, Armenia increased its place in terms of democracy and respect for human rights since the program was launched. The six negotiation rounds on the DCFTA, which was concluded in July 2013, brought Armenian position closer to the EU. Moreover, Readmission and Visa Facilitation Agreements were signed between these two actors in the same year and made it easier for the EU's citizens to travel

---

<sup>157</sup> Eastern Partnership Summit, "Joint Declaration of the Eastern Partnership Summit (Riga, 21-22 May 2015)," *Latvian Presidency of the Council of the European Union*, May 22, 2015, accessed May 28, 2015, <https://eu2015.lv/events/political-meetings/eastern-partnership-summit-2015-05-21>

Armenia. Along with these agreements, Armenia lifted its visa requirements towards EU citizens.<sup>158</sup>

However Armenian government was caught in between the EU and Eurasian Economic Union (EEU). During the election campaign this issue became a major discussion among the people about which side the country should chose. At that time Russia raised gas prices for Armenia to affect people's opinion as well.<sup>159</sup>

While maintaining negotiations with the EU, Serzh Sargsyan who is the president of Armenia made a U-turn in its foreign policy direction on September 3, 2013. He announced that Armenia would join the Eurasian Economic Union. On January 1, 2015, Armenia joined to the Union. According to Sargsyan, Armenia should not stay away from the economic system of which it is already militarily part of it. Economically too Armenia should be the part of this system. Along with this decision, Armenia gave up the plan to sign an AA/DCFTA with the European Union.<sup>160</sup>

The policymakers' opinions have strong effects on the Armenians in terms of perception of the EU. After the Sargsyan's decision took in September 2013, people's views also started to change about the EU. According to a poll, which was conducted in spring 2013, 84 percent of Armenians said that their country has good relations with the European Union. This number decreased to 22 percent in the period of May-June 2014. In contrast, 55 percent of the respondents believe that the EU is a crucial partner for protecting peace and security in the region.<sup>161</sup>

---

<sup>158</sup>European Integration Index for Eastern Partnership Countries (2013): 50, accessed May 15, 2015, [http://www.eap-index.eu/images/Index\\_2013.pdf](http://www.eap-index.eu/images/Index_2013.pdf)

<sup>159</sup>Ibid.

<sup>160</sup>Amanda Paul, "The Eastern Partnership, the Russia-Ukraine War, and the Impact on the South Caucasus," *Istituto Affar ilInternazionali* (2015): 5, accessed May 16, 2015, <http://www.iai.it/sites/default/files/iaiw1506.pdf>



According to the EU Barometer poll, which was conducted in 2014, the EU has a positive image in the eyes of the 40 percent of the respondents and twenty five percent of them see the Union as a negative actor.<sup>162</sup> Furthermore, forty five percent of the respondents trust the EU despite the fact that fifty one percent of them have no trust in it.<sup>163</sup> These survey data show that how much public opinion was influenced by the political elite even within the same year.

#### **4.2.2.3 The EU's Relations with Azerbaijan within the EaP Context**

Azerbaijan's position is clearer than the other South Caucasian partners in its relations with European Union. Baku made significant progress in the following fields: the transparency of budget, fighting against corruption and easier rules for businesses. Besides, Azerbaijan signed a Strategic Partnership Agreement on Energy sector with the Union which showed once again that Azerbaijan is eager to cooperate with the EU in energy field. Azerbaijan is the sole contributor to the Southern Gas Corridor, which is crucial for the EU.<sup>164</sup>

Azerbaijan signed the Visa Facilitation and Readmission Agreements with the EU on November 2013. The aim of this agreement is to make the visa process easier and faster for the citizens of both sides. The citizens will have lower visa fees for traveling from both directions and they will not lose much time for it.<sup>165</sup>

However, Ukraine crisis in 2014, affected the relations with Azerbaijan and the EU. After this crisis, Azerbaijan's government became more careful when making

---

<sup>161</sup>EU Neighborhood Info Centre, "What do Armenians think about the EU? New poll casts on attitudes," (2014), accessed June 02, 2015, [http://www.enpi-info.eu/maineast.php?id\\_type=1&id=38447](http://www.enpi-info.eu/maineast.php?id_type=1&id=38447)

<sup>162</sup>EU Neighbourhood Barometer, "Eastern Partnership," *The European Union* (2014): 38, accessed May 29, 2015, [http://euneighbourhood.eu/wp-content/uploads/2014/09/6009ENPI\\_wave5\\_East-main.pdf](http://euneighbourhood.eu/wp-content/uploads/2014/09/6009ENPI_wave5_East-main.pdf)

<sup>163</sup>*Ibid.*, 33.

<sup>164</sup>Tural Abbasov, "Azerbaijan and Eastern Partnership relations: Current trends," *The Foreign Policy Centre* (2015): 57, edited by Adam Hug, accessed May 16, 2015, <http://fpc.org.uk/fsblob/1681.pdf>

<sup>165</sup>*Ibid.*, 58.

decision on whether Azerbaijan should sign the Association Agreement (AA) or not. President Ilham Aliyev stated in the World Economic Forum in Davos that Azerbaijan was not going to sign the Association Agreement with the EU. He said

I consider that the level of relations between Azerbaijan and the European Union requires a higher form of Cooperation than Association. And the very word 'Association' is not quite acceptable for us. 'Association member'—what kind of partner is it? There is no clear definition here. Azerbaijan is a self-sufficient country both in the sense of politics and economics. Any integration process should be joined to gain additional preferences. So far, we do not see any within the framework of the Association project.<sup>166</sup>

Furthermore, Baku claims it has strong relations with the members of the Custom Union as well however not planning to be part of it. Therefore, Azerbaijan is not planning to join neither the EU (do not signing the AA) nor EEU.

In contrast, Baku proposed a new kind of partnership to the EU, which called the Strategic Modernization Partnership (SMP) on April 4, 2014. According to SMP, Azerbaijan will increase its economic integration with the EU but political and democratic developments will not be included in the SMP. Initially the Union was not eager to sign Baku's proposal but recent developments shifted the EU's perspective towards the SMP. Azerbaijan is the most important country among the Eastern partners within the context of the EU's energy policy and the Union does not want to lose this country. The visit of President of the European Commission Jose Manuel Barosso to Baku on June 14, 2014, is very important in this regard. During his visit, Barosso said that the Union will sign a new bilateral agreement with Azerbaijan in the following months.<sup>167</sup> This statement shows us that some cases are more important for the EU and it can also be flexible depending on its interests.

Generally, almost half of the Azerbaijani population thinks that Azerbaijan has good relations with the European Union, while 17 percent of them claim that they have bad relations. 42 percent of the people, who participated in survey, responded that

---

<sup>166</sup>Ibid.

<sup>167</sup>Ibid.

the EU is one of important partners of Azerbaijan and 46 percent of those people claimed that there are enough common values for cooperating with the Union.<sup>168</sup> According to a poll, which was conducted by the EU Neighborhood Barometer, 35 percent of the respondents say that the EU has positive image in their eyes while 13 percent of them expressed the image to be negative to them.<sup>169</sup> However, in terms of trusting/not trusting to the EU, there is almost equilibrium among the respondents; 36 percent of them said that they trust the Union; 34 percent responded that they do not.<sup>170</sup>

In this case, one should emphasize that the population's opinion is affected by Azerbaijan's main problem, which is Nagorno Karabakh. Depending on the progress of the resolution of that conflict, people's perceptions may have changed. The EU's support for the territorial integrity of Azerbaijan is very important in this regard. It seems that Azerbaijani population will not be satisfied as long as the Union maintains its neutral position on the Nagorno Karabakh issue.

#### **4.2.2.4 The EU's Relations with Georgia within the EaP Context**

Among the South Caucasian republics, Georgia is the one which is most eager to integrate with the Union. There are many reasons for the fact that Georgia turned its face to Europe and does not want to join the Russia-led Eurasian Economic Union. One of the most deterministic causes is the ethnic conflicts in the country which is the most 'problematic' issue in Georgia. Russian position in these conflicts pushed Georgia to Europe in order to stop the Russian domination in the country.

In the process of integration with the EU, Georgia made more progress in comparison with not only with the other two South Caucasus republics but also with the other post Soviet countries. As mentioned above, neither Armenia nor

---

<sup>168</sup>Center for Economic and Social Development "Azerbaijan: Poll Casts Light on Attitudes to The EU and How People See Their Lives," (2014) accessed May 26, 2015, <http://cesd.az/new/?p=8570>

<sup>169</sup>EU Neighbourhood Barometer, "Eastern Partnership," *The European Union* (2014): 38.

<sup>170</sup>*Ibid.*, 33.

Azerbaijan is eager to sign the Association Agreement and the Deep and Comprehensive Free Trade Agreements with the EU. In contrast, on June 27, 2014, Georgia signed the Association Agreement with the EU along with Moldova and Ukraine including Deep and Comprehensive Free Trade Agreements.<sup>171</sup>

According to the polls, the population supports European integration in Georgia and their expectations from the Union is high. Especially after the signing of the DCFTA people became more hopeful about the integration with the EU. One of the urgent problems in Georgia is poverty and in this case DCTFA offers new opportunities for Georgia, which can reduce poverty and create new jobs in the country. Another problem is the ethnic conflicts in Georgia and the Union's position on this issue which is not neutral. Different from the other conflicts in the region like Nagorno Karabakh, the EU supports the Georgian territorial integrity. Therefore the population in Georgia is very positive about integration with the EU and they think the most problematic issues of Georgia will be solved if the country continues the integration process with the Union.<sup>172</sup>

#### **4.2.2.5 Russia's reaction to the EU's Eastern Partnership Program**

In 2005, Russian president Vladimir Putin stated that "the collapse of the Soviet Union was a major geopolitical disaster of the century".<sup>173</sup> May be this statement was the beginning of a new era in the post Soviet space. He emphasized that Yeltsin's period was a chaos and the weakest time of the country but Russia reemerged as an important power again.

---

<sup>171</sup>European Movement International, "Eastern Partnership: road to Riga," (2015): 1, accessed May 17, 2015, <http://europeanmovement.eu/wp-content/uploads/2015/03/EMI-Background-Briefing-Eastern-Partnership.pdf>

<sup>172</sup>Ana Dvali and Giorgi Kanashvili, "Georgia and the EU: Popular expectations, EU-led Programmes and Challenges," *The Foreign Policy Centre* (2015): 48, edited by Adam Hug, accessed May 16, 2015, <http://fpc.org.uk/fsblob/1681.pdf>

<sup>173</sup>Vladimir Putin, "Annual Address to the Federal Assembly of the Russian Federation," (2005), accessed May 19, 2015, [http://archive.kremlin.ru/eng/speeches/2005/04/25/2031\\_type70029type82912\\_87086.shtml](http://archive.kremlin.ru/eng/speeches/2005/04/25/2031_type70029type82912_87086.shtml)

During the EU-Russia summit in May 2009, the Russian president Medvedev stated that Russia is against conflicts and the government seeks partnership and not conflicts in the region. However, Moscow's view on the Eastern Partnership is different and perceives it as this partnership can be used against Russia in the future. At the Brussels Forum in 2010, the Russian Minister of Foreign Affairs Sergey Lavrov also emphasized that the Eastern Partnership is a tool of the EU to expand its influence in the former Soviet territory.<sup>174</sup> Furthermore, on December 2013 in Gyumri, the Russian president Vladimir Putin stated that Russia will never leave Transcaucasia and will make its position stronger in the region.<sup>175</sup>

Russia creates new institutions in the post-Soviet space in order to strengthen its presence. This seems as an attempt to reintegrate Russia with the former-Soviet republics. In this regard, the Eurasian Customs Union that was established in July 2010 between Russia, Belarus and Kazakhstan can be considered as a first stage. Secondly, on January 2012, the Single Economic Space (SES) agreement was launched in order to eliminate some technical obstacles in trade. Finally, Eurasian Economic Union came into existence on January 1, 2015.<sup>176</sup> Some countries perceived the Customs Union as a threat to their national interests. For instance, Viktor Yanukhovich claimed that Russian Black Sea fleet will be expelled and Ukraine will accept NATO missiles defense system in its land if Russia forces Ukraine to join the Customs Union. In contrast, Russia has been using its economic and political powers to 'discipline' its neighboring countries.<sup>177</sup>

---

<sup>174</sup> Alena Sakhonchik, "The Implications of the Eastern Partnership Program on EU-Russia Relations," *School of International Service, American University* (2013): 4, accessed May 17, 2015, <http://www.globalinterests.org/wp-content/uploads/2013/10/The-Implications-of-the-Eastern-Partnership-Program-on-EU-Russia-Relations.pdf>

<sup>175</sup> Vladimir Putin, "Speech at Meeting of the Russian-Armenian Interregional Forum," (2013), accessed May 19 2015, <http://en.kremlin.ru/events/president/transcripts/19733/photos>

<sup>176</sup> Rilka Dragneva and Kataryna Wolczuk, "The Eurasian Economic Union – What kind of alternative to the Eastern Partnership?," *The Foreign Policy Centre* (2015): 2015, edited by Adam Hug, accessed May 16, 2015, <http://fpc.org.uk/fsblob/1681.pdf>

<sup>177</sup> Sakhonchik, "The Implications of the Eastern Partnership Program on EU-Russia Relations," 5.

Russia's military presence in the EU's Eastern Partnership is another challenge for the EU to implement the program actively. Russia has bases in Armenia and also involved in South Ossetia and Abkhazia in Georgia. Apart from it, Russia keeps 1200 soldiers in Transnistria, Moldova and Ukraine which hosts the Russian Black Sea Fleet in Sevastopol.<sup>178</sup> Moreover, Russia has Volaga and Vilejka radar centers in Belarus.<sup>179</sup>

As mentioned earlier Russia is one of three co-chairs in the OSCE Minsk group for resolving the Nagorno Karabakh issue while the EU is not an effective actor in these negotiations. For instance, the EU's approach is neutral in Nagorno Karabakh issue and despite the Union has Monitoring Mission in South Ossetia and Abkhazia; these regions are against the EU's involvement in their territory.<sup>180</sup> Finally, the annexation of Crimea showed that the EU is an inadequate power to prevent Moscow from having an aggressive attitude.

During the crisis of Ukraine in the summer and fall of 2014, serious violations occurred in the Nagorno Karabakh and Russia's role was clear once again in that conflict when Putin met with Ilham Aliyev and Serzh Sargsyan in Sochi. These events also affected the other Eastern Partners' decisions about signing the Association Agreement with the EU.

---

<sup>178</sup>After the annexation of Crimea by Russia in 2014 this fleet remained *de facto* in the territory of Russia

<sup>179</sup>*Ibid.*, 6.

<sup>180</sup>*Ibid.*

#### **4. Dominant Perceptions of the South Caucasian Countries towards the EU and the RF in Comparison**

Each of the South Caucasian republics has different directions in their foreign policy because of local problems and their strategic interests. The competition between the EU and the RF serves regional actors in different dimensions. Among these republics, the desires for the nature of competition to evolve between the external actors are different in terms of their interests. Armenia does not want high tensions between the EU and the RF, Georgia desires a strong competition between these external actors and Azerbaijan benefits from only a mild competition between them. In this part, the dominant perceptions in the South Caucasus states' on the competition between two external powers will be analyzed. These different approaches will be classified as pro-Russian, pro-Western and relatively neutral.

##### **5.1 Armenia's Pro-Russian Approach**

The analysis of the South Caucasian countries under the influence of the EU and Russia shows us the country having the closest ties with Russia, the one which has the same distance towards the EU and the RF and the one whose interests are farthest from Russia. Since the independence of these three countries, Georgia and Azerbaijan collaborate with each other. They have friendly relations and enjoy cooperation in many fields. They have common interests and common problems that allow supporting each other's foreign policies. In contrast, Armenia's attitude in the region does not permit to collaborate with its two other South Caucasian neighbors.

Looking from an Armenian perspective explains us the reasons for Armenia following a policy, which leads to isolation from the other South Caucasian countries. First of all, we should mention about the Nagorno Karabakh issue, which is the most crucial foreign policy problem in Armenia. The conflict started when the Armenian population of Nagorno Karabakh demanded separation from the

Azerbaijan Soviet Socialist Republic (ASSR) in 1988.<sup>181</sup> In 1991, Armenians living in the region of Mountainous Karabakh of the ASSR declared independence from the ASSR and established a so-called 'country' named as Nagorno Karabakh Republic. Their demands for independence and declaration of later on caused a war between Azerbaijan and Armenia, which continued until 1994.<sup>182</sup> Since 1994, there is a ceasefire signed between the actors searching a peaceful solution for the situation under the OSCE Minsk Group.

Since its independence, Armenia has restricted its maneuver space in its relations with its neighbors and has been trying to survive as an isolated country. Armenia's lack of natural resources and double blockaded borders with Turkey and Azerbaijan has been causing problems for the country. Apart from the economic challenges, Armenia has national security threats as well which may come from its eastern neighbor. In this case, President Ilham Aliyev has been frequently highlighting that if Azerbaijan could not regain its occupied territories in peaceful ways, it will use its hard power to repair its territorial integrity.

In these circumstances, Armenia has very limited options to save the occupied territories. Consequently, the country has to keep close relations with Russia. The relations between Armenia and Russia continue almost in every field. Russia is the biggest trade partner of Armenia in the region. Russian investments and remittances alone account twenty percent of Armenia's GDP.<sup>183</sup> Furthermore, Armenia is heavily dependent on the Russian energy supply and is searching for new

---

<sup>181</sup> Anna Hess Sargsyan, "Nagorno-Karabakh: Obstacles to a Negotiated Settlement," Center for Security Studies (2013): 2, accessed June 3, 2015, <http://www.css.ethz.ch/publications/pdfs/CSS-Analysis-131-EN.pdf>

<sup>182</sup> Kamal Makili-Aliyev, "Enforcement of International Law in the Nagorno-Karabakh Conflict," (Master Diss., Lund University, 2007), 12, accessed June 2, 2015, <https://lup.lub.lu.se/luur/download?func=downloadFile&recordId=1555213&fileId=1563584>

<sup>183</sup> Fred Hiatt, "Why Armenia turned to Russia instead of the West," *The Washington Post* May 7, 2015, accessed June 9, 2015, <http://www.washingtonpost.com/blogs/post-partisan/wp/2015/05/07/why-armenia-turned-to-russia-instead-of-the-west/>



options to diversify its energy policy in order to avoid putting all its eggs in one basket but Russia uses its soft power to undermine such kind of policies of Armenia.

Along with these economic ties, Russia has 102<sup>nd</sup> military base in Gyumri with five thousand soldiers, which protects the border between Turkey and Armenia. The contract time of that base has been extended till 2044 in 2010<sup>184</sup>, which is an indicator that Armenia is satisfied with the status quo for the time being. A poll, which is conducted recently in Armenia, has shown that Armenians are not against foreign military bases in their land. When a question 'is it acceptable for a foreign state or institution to ensure Armenia's national security?' was asked to respondents, only 17 percent of them responded a 'no' answer. In contrast, 55 percent of them accepted the presence of the foreign military bases in their country when they were asked if they agree with the current military bases in Armenia. 38 percent of the respondents who had accepted military bases in Armenia stressed that these bases are particularly against Turkey and Azerbaijan.<sup>185</sup>

In another public poll conducted by the Gallup International Association in Armenia is also explanatory in terms of Armenians' opinions on a variety of topics. A question was asked to the participants that if they had a chance to choose Armenia's ally, which country they would prefer as Armenia's partner? 63 percent of the respondents answered the question that they would choose Russia as an ally for Armenia.<sup>186</sup> According to another survey, which was conducted among 104 countries by the Global Poll, Armenia is the fifth most pro-Russian country in the world. This shows us how much sympathy Armenians have for Russia. Only seven percent of the participants in that survey were critical about Moscow's policies, while 75 percent of them supported Kremlin's policies. Despite improved relations

---

<sup>184</sup> Joshua Kucera, "Armenians Hold Mixed Views Of Russian Base: Opinion Poll," *Eurasianet* June 10, 2015, accessed June 10, 2015, <http://www.eurasianet.org/node/73801>

<sup>185</sup> Ibid.

<sup>186</sup> Gallup International Association in Armenia, "Survey: Over 60% of Armenians would choose Russia if there was need to align with any country choose Russia if there was need to align with any country," *Verelq*, March 2, 2015, accessed June 9, 2015, <http://www.verelq.am/en/node/264>

between the West and Armenia, most of the Armenians believe that Russia is the protector of Armenia and the country should continue its relations with it.<sup>187</sup> Another interesting survey was conducted by Gallup opinion poll. They questioned the participants regarding which period was good for Armenia; the Soviet period or the period after independence? Only 12 percent of them answered that the breakup of the Soviet Union had benefited them, while 66 percent of them said that collapse of the Soviet Union was detrimental for the country.<sup>188</sup> Therefore one can say that while Armenian government follows policies, which are pro-Russian, Armenian people as well have nostalgic feelings about the Soviet past and content with the status quo.

Armenia explicitly showed its position when President Serzh Sargsyan announced that Armenia would join the Eurasian Economic Union in September 3, 2013. He stated that Armenia couldn't be away from a system, which is already militarily part of it.<sup>189</sup> In January 2015, Armenia joined the Russian-led Eurasian Union officially. In another statement, Sargsyan said, "Armenian cognac cannot really be sold in Paris, but it does well in the Russian Federation".<sup>190</sup> It means Armenia made a pragmatic choice when it joined the Eurasian Union.

Armenia's decision about joining the Union is very complicated in terms of the reasons of the decision. Armenia does not have direct border connections with the member countries of the Eurasian Union. Armenia's choice of the Eurasian Union over the EU seems to be not heavily related with the economic reasons but more as

---

<sup>187</sup>"Global Poll Finds Strong Pro-Russian Sentiment In Armenia," *Radio Free Europe/Radio Liberty*, August 9, 2011, accessed June 9, 2015, [http://www.rferl.org/content/pro\\_russia\\_sentiment\\_in\\_armenia/24291052.html](http://www.rferl.org/content/pro_russia_sentiment_in_armenia/24291052.html)

<sup>188</sup>Neli Esipova and Julie Ray, "Former Soviet Countries See More Harm From Breakup," *Gallup*(2013), accessed June 16, 2015, [http://www.gallup.com/poll/166538/former-soviet-countries-harm-breakup.aspx?utm\\_source=Azerbaijan&utm\\_medium=search&utm\\_campaign=tiles](http://www.gallup.com/poll/166538/former-soviet-countries-harm-breakup.aspx?utm_source=Azerbaijan&utm_medium=search&utm_campaign=tiles)

<sup>189</sup>Paul, "The Eastern Partnership, the Russia-Ukraine War, and the Impact on the South Caucasus," 5.

<sup>190</sup>Hiatt, "Why Armenia turned to Russia instead of the West,"

a consequence of security problems. Russia used its hard power in Ukraine and this event shocked the other post Soviet countries as well. As we noted above, Armenia's biggest problem is keeping the occupied areas inside the country and Russia is one of the co-chairs in the OSCE Minsk Group for resolving the issue between Armenia and Azerbaijan in a peaceful way. In this case, rejecting to join the EEU could bring many problems for Armenia. In a sample drawn from country's population, 22 percent of the people replied positively when they were asked "if Armenia would not join the EEU, would the Nagorno Karabakh be under threat?"<sup>191</sup> Thinking from this perspective it is logical that Sargsyan preferred joining the Russian-led EEU.

Despite a recent shocking event which involved a Russian soldier killing all members in one family in Gyumri on January 12, 2015 Armenia continued giving advantages to the Russian military bases in its land.<sup>192</sup> Two months after that event, Armenian government approved the decision to sign an agreement with Russia to receive an aid worth 2.3 million USD in the frame of the EEU. Besides, another decision was taken by the Armenian government on the same day to expand the territory of the Russian military base in Gyumri.<sup>193</sup> These recent developments are an indicator that Armenia is dependent on the Russian military and economic support and will continue to allow a Russian military presence in its territory.

However the strong pro-Russian orientation of Armenia does not prevent the country from developing relations with the EU. Particularly the economic aid, which comes from the Union, is very crucial for landlocked and double-blockaded Armenia. The financial support of the EU for Armenia in the period 2014-2017 is

---

<sup>191</sup>Kucera, "Armenians Hold Mixed Views Of Russian Base: Opinion Poll,"

<sup>192</sup>"Russian Soldier Accused of Massacring Armenian Family Pleads Guilty," *Russia Today* January 22, 2015, accessed June 12, 2015, <http://rt.com/news/224915-russian-soldier-pleads-guilty/>

<sup>193</sup>"Cabinet Meeting: Armenia to get Aid from Russia, Provide more Space to Russian Military Base," *Armenia Now*, March 26, 2015, accessed June 7, 2015. [http://armenianow.com/news/61796/armenia\\_government\\_meeting\\_aid\\_russia\\_gyumri](http://armenianow.com/news/61796/armenia_government_meeting_aid_russia_gyumri)

expected to be around 140,000,000–170,000,000 €. <sup>194</sup> Along with the financial aids, maintaining its relations with the EU provides an opportunity to use its relations with the Union to balance Russia. For Armenia, another reason for upholding the relations with the EU is Azerbaijan because Azerbaijan's foreign policy affects Armenia directly. If Azerbaijan improves its relations with the EU, Armenia cannot stay away from these developments as otherwise Armenia would be in a weaker position vis-à-vis Azerbaijan.

## **5.2 Azerbaijan's Approach**

Azerbaijan's foreign policy direction since independence can be divided into two periods: the period of Abulfaz Elchibey and that of Heydar Aliyev which is followed by Ilham Aliyev's period. Elchibey's policy was known as pro-Western rather than pro-Russian or balanced policy. In contrast, Azerbaijan's pragmatic leader, president Heydar Aliyev changed the foreign policy route of Azerbaijan when he came to power in 1993. He chose neither the West nor Russia as a closer partner to Azerbaijan, but both. Unlike Elchibey, Heydar Aliyev knew that Azerbaijan couldn't survive if it ignores Russia and along with Russia, it needs another partner to balance Azerbaijan's foreign policy. In this case, I conducted interviews with Azerbaijani academicians in order to see the situation clearer. I had the chance to ask the opinion of Araz Aslanlı about Azerbaijan's balanced policy. I asked him "How do you evaluate Azerbaijan's balanced policy, is it possible to maintain this foreign policy in the long term or will Azerbaijan have to choose one of the actors either the EU or Russia in the future?" He stated: "of course there are some discussions among researchers about Azerbaijan's balanced foreign policy that it cannot maintain this policy. Researchers give the tension between the West and the RF as a reason for that argument. However, Azerbaijan was able to continue its foreign policy during the previous tensions between the West and the RF. Apart from it, the

---

<sup>194</sup>European Commission, "Single Support Framework for EU support to Armenia (2014-2017)," *European External Action Service* 7, accessed June 12, 2015, [http://eeas.europa.eu/enp/pdf/financing-the-enp/armenia\\_2014\\_2017\\_programming\\_document\\_en.pdf](http://eeas.europa.eu/enp/pdf/financing-the-enp/armenia_2014_2017_programming_document_en.pdf)

tension between these actors can be reduced in the future. Azerbaijan is determined to maintain its balanced foreign policy and it is possible to say that Azerbaijan will sustain its foreign policy.”<sup>195</sup> In addition to this, I asked the same question to another Azerbaijani scholar, Rovshan Ibrahimov. He stated: “first we have to understand Azerbaijan’s foreign policy, this is not our choice. This is the result of geo-politics and geo-economy for Azerbaijan. The EU does not offer any integration program for Azerbaijan, it offers Eastern Partnership program for Azerbaijan but it is not a tool for integration. They are making a buffer zone between the EU and Russia. In contrast, Russia offers integration programs but it is not parallel with Azerbaijan’s national interests. For any integration Azerbaijan has three preconditions. First one is its sovereignty, which is a very important issue for Azerbaijan. Any political integration means losing its sovereignty for Azerbaijan. Azerbaijan’s second precondition for any integration is its economic benefits. For instance, signing the DCFTA does not bring any benefit for Azerbaijan. By signing the DCFTA Azerbaijan will give freedom to the EU in its market but it will not join any political decision making institutions of the EU. On the other hand integration with Russia is not beneficial for Azerbaijan as well. Azerbaijan and Russia export the same natural resources, which mean they are competing with each other. The third precondition for Azerbaijan in order to integrate with some union or organization is the Nagorno Karabakh issue. If Azerbaijan’s these three preconditions will not be solved, Azerbaijan cannot accept any integration. Instead of integration Azerbaijan prefers bilateral relations with its neighbors.” Therefore, we can summarize that the government of Azerbaijan is reluctant to integrate with neither the EU nor Russia but to continue its relations with these two actors in the its current framework.

Contrary to Armenia, Azerbaijan sees Iran and Russia as potential threats to its national interests. This fear has historical roots and this is why Azerbaijan tries to keep a distance with its neighbors in the north and in the south. However, the problem of Nagorno Karabakh is a major problem for Azerbaijan as well. The search

---

<sup>195</sup> Araz Aslanlı, “Skype Interview,” *Caucasian Center for International Relations and Strategic Studies*, Date: July 31, 2015.

for a peaceful solution for the conflict still continues. Therefore, on one hand Azerbaijan maintains good relations with Russia; on the other hand it tries to develop its relations with the EU. Apart from the conflict, Azerbaijan's economy depends on the oil and gas sector. Without these resources; the country's economy would not be much different than Armenia's or Georgia's economies. As mentioned earlier European countries depend on external energy supply to a great extent. Therefore, the EU is an excellent energy market for Azerbaijan and its location (as a transit country) makes Azerbaijan more important in the eyes of the Union.

The gas crisis between Ukraine and Russia on January 1-4, 2006 pushed the EU to diversify its energy resources.<sup>196</sup> According to estimates, the EU will be dependent on external import in energy supply more than 70 percent by 2030. Therefore, the diversification of energy supply is a crucial issue for the EU. In this case, the Southern Gas Corridor project can be important for the Union. This project can supply up to 10-20% of the EU gas supply by 2020<sup>197</sup> that is why all the union members support the Southern Gas Corridor which can bypass Russia as well.

Just like the EU, Azerbaijan has some tangible expectations from the EU as well. Azerbaijan is reluctant to fulfill the agreement of the DCFTA because the agreement requires the liberalization of Azerbaijan's market. The DCFTA promotes private business, which threatens Azerbaijan's monopolistic economy. This would be detrimental to the interests of elite groups in the country. The DCFTA also aims to promote democracy in the country particularly through transparency as well as through a liberal market economy.<sup>198</sup> On the other hand, Azerbaijan expects from

---

<sup>196</sup>Eric Pardo Sauvageot, "The Second Energy Crisis in Ukraine in 2009: Russo-Ukrainian Negotiations up to 2010 and the Role of the European Union, Analysis of a Challenge to the EU Diplomacy," *UNISCI* (2010): 1, accessed June 14, 2015, <http://www.jhubc.it/ecpr-porto/virtualpaperroom/033.pdf>

<sup>197</sup>Jacqueline Hale, "EU relations with Azerbaijan: More for Less?," *Open Society Institute* (2012): 3, accessed June 15, 2015, <http://www.opensocietyfoundations.org/sites/default/files/eu-relations-azerbaijan-20120606.pdf>

the EU, cooperation on energy and the Union's involvement in the solution of the Nagorno Karabakh issue. Moreover, Azerbaijan prefers the use of 'strategic partnership' instead of 'association partnership'. While the use of 'strategic' is an indicator of the equal relations between the actors, the use of 'association' evokes asymmetric relations between the sides.<sup>199</sup> In this case, I directed a question to Ibrahimov which was "Why is Azerbaijan reluctant to sign the Association Agreement with the EU, do you think it is related with the structure of domestic political system or it is related with the foreign policy of Azerbaijan?" he stated: "I do not think that It is related with domestic political structure. This is related with the EU's Eastern Partnership program because this partnership does not refers to relations which is equal between the sides. Through this partnership program the EU has some demands from target countries but nothing is clear for those countries. Besides this, we see here that the EU even did not account Russia's reaction to its attitude in these regions. The EU does not support any country, which is vis-à-vis with Russia. For instance, Russia attacked Georgia in 2008, annexed Crimea or we can observe many conflicts in Moldova and etc. There are no proper sanctions from the EU against Russia's attitude in these countries. Azerbaijan has the same problem with Georgia and does not want to lose Nagorno Karabakh because losing this territory means losing freedom from Azerbaijan's perspective."<sup>200</sup>

Aslanlı answered another question about the relations between the EU and Azerbaijan. The question was "how do you see Azerbaijan's relations with the EU in the case of the EU's Eastern Partnership program, what is the real aim of the EU's involvement with Azerbaijan? Is the main purpose of the EU to improve democracy and human rights in Azerbaijan or to benefit from Azerbaijan's natural resources?"

---

<sup>198</sup> Gela Merabishvili, "The EU and Azerbaijan: Game on for a more normative policy?," *Centre for European Policy Studies* (2015): 2-3, accessed June 13, 2015, [http://aei.pitt.edu/63166/1/PB329\\_EU\\_Policy\\_towards\\_Azerbaijan\\_G\\_Merabishvili.pdf](http://aei.pitt.edu/63166/1/PB329_EU_Policy_towards_Azerbaijan_G_Merabishvili.pdf)

<sup>199</sup> Ibid.

<sup>200</sup> Rovshan Ibrahimov, "Skype Interview," *Azerbaijan Diplomatic Academy University* Date: July 31, 2015.

Aslanlı said “integration with the West remains as the main goal of Azerbaijan. This integration means neither joining the NATO nor the EU. This target is just improving deep partnership with the West. However, according to Azerbaijan’s policymakers this aim can change because of the recent developments (criticizing democracy, Western support on the Armenian issue and etc.). Besides, the West has to respect Azerbaijan’s conditions. The EU does not criticize democracy and human rights conditions in Azerbaijan and even they sometimes compliment on the economic development in Azerbaijan. Energy issue is the main sector for cooperation between Azerbaijan and the EU and the other issues does not affect this cooperation”.<sup>201</sup> Ibrahimov answered the same question as well. According to him “the main aim of the EU’s Eastern Partnership program is to protect the EU’s enlargement process. After the fifth enlargement, the EU developed a new policy which does not offer full membership to the Union. Although Georgia, Moldova and Ukraine see the Eastern Partnership as a step for full membership, the EU’s target is not this from the Eastern Partnership. Azerbaijan does not see the Eastern Partnership program as a tool for full membership. Azerbaijan wants to develop relations with the EU in bilateral framework. Although the EU is willingly to cooperate with Azerbaijan in energy sector the EU’s common energy policy is very new and weak itself. Therefore, improving bilateral relations with the EU members is more beneficial for Azerbaijan.”<sup>202</sup>

The mutual interests on the energy issue make the relations between Azerbaijan and the EU easier, but Nagorno Karabakh conflict is different than the energy issue. Azerbaijan demands increased number of actors in the OSCE Minsk group. It particularly considers the EU as a potential actor who has enough influence in the world. If the Union supports Azerbaijan on the Nagorno Karabakh issue, this would Azerbaijan’s position more powerful against Armenia. In this case, Azerbaijan has kept proposing the replacement of France in the OSCE Minsk group by the EU. The

---

<sup>201</sup>Aslanlı, “Skype Interview,”.

<sup>202</sup>Ibrahimov, “Skype Interview,”.



active Armenian Diaspora in France does not allow France to promote Azerbaijan in the negotiations. However, the EU disregards Azerbaijan's proposal and states that France informs the Union adequately and there is no need for such kind of a change. Actually, on one hand Azerbaijan wants to see the EU in the OSC Minsk group instead of France and on the other hand, it does not want to irritate France on this issue. Along with the first option (replacing France by the EU), Azerbaijan considers another option to attract the EU to the solution of the Nagorno Karabakh issue. The second option is adding the EU to the three co-chairs (France, USA and Russia) in the OSCE Minsk group.<sup>203</sup> So, Azerbaijan offers three plus one formula. Nevertheless, the Union does not want to be a direct actor in the Nagorno Karabakh issue.

According to Ibrahimov, Azerbaijan's priority in its relations with the EU is to solve the Nagorno Karabakh issue. However, the EU has the same distance to both countries, which one is occupant country and the other one is the country, which lost its territory. The EU's such kind of approaches to these countries (Armenia and Azerbaijan) is an obstacle for Azerbaijan to regain its territory. In contrast, according to the international law, Armenia has to immediately leave Azerbaijan's land.<sup>204</sup>

The EU's involvement in the Nagorno Karabakh issue is very critical not only for Azerbaijan but also for Moldova, Ukraine and Georgia. These countries suffer from the internal conflicts and they demand territorial integrity. In the Nagorno Karabakh case, the EU chooses to be neutral between Armenia and Azerbaijan because of its Eastern Partnership program. However, Armenia preferred Russia instead of the EU and formally joined the Eurasian Economic Union on January 2 2015. Furthermore, Armenia and Belarus avoided using the term 'illegal annexation' of Crimea in the

---

<sup>203</sup>Zaur Shiriyeu, "Challenges for the EU in the resolution of the Nagorno-Karabakh conflict: An Azerbaijani perspective," *European Policy Centre* (2013): 2, accessed June 12, 2015, [http://www.epc.eu/documents/uploads/pub\\_3587\\_an\\_azerbaijani\\_perspective.pdf](http://www.epc.eu/documents/uploads/pub_3587_an_azerbaijani_perspective.pdf)

<sup>204</sup>Ibrahimov, "Skype Interview,".

Riga summit of Eastern Partnership.<sup>205</sup> All these developments indicate a fracture between the EU and its Eastern Partners.

Public opinion in Azerbaijan resembles the government policy in terms of relations with the EU. Their most important expectation from the outside actors is related to the Nagorno Karabakh issue. Generally Azerbaijani people feel closer towards the outside actors supporting Azerbaijan against Armenia. In the EU case, Azerbaijani people expect the Union's involvement in the Nagorno Karabakh issue but the EU disappoints them. Some data will be given in the following paragraphs about people of Azerbaijan's opinion in order to see their view on the EU.

To sum up, Azerbaijan's priorities in its relations with the EU are energy issue and Nagorno Karabakh issue. In these relations, Azerbaijan does not want to get criticized by the EU and needs the involvement of more actors for the solution of the Nagorno Karabakh. In order to compensate its territorial integrity, Azerbaijan wants to internationalize the problem more and more and through this way, it hopes to gain more support against Armenia. According to a survey, which was conducted by the EU Neighborhood Barometer, the rate of trust to the EU is the lowest in Azerbaijan among South Caucasian republics. 36 percent of the respondents tend to trust the EU while 34 percent of them do not.<sup>206</sup> According to the 42 percent of the participants, the European Union is an important partner of Azerbaijan. However, this percentage is below the average rate in other Eastern Partner countries of the EU.<sup>207</sup> Besides, the people see the EU as an important partner to solve the peace and security problems. In Azerbaijan, 52 percent of the respondents said that the EU is an important partner to cooperate in the field of peace and security.<sup>208</sup>

---

<sup>205</sup>Jozwiak, "Disagreements Shadow EU Eastern Partnership Summit,"

<sup>206</sup>EU Neighbourhood Barometer, "Eastern Partnership," *The European Union* (2014): 33

<sup>207</sup>*Ibid.*, 40

<sup>208</sup>*Ibid.*, 43

As mentioned above, Azerbaijan follows a balanced foreign policy, which is different from the other two South Caucasus states. As Azerbaijan is one of the former Soviet countries that were under the Soviet rule for more than 70 years, it is not easy to escape from Russia's influential orbit. Besides, Russia does not want to press on Azerbaijan in order to make a member state of the EEU. Forcing Azerbaijan can cause loosing of it like Georgia. I asked a question to Aslanlı about this topic during the interview, which was "Can Russia force Azerbaijan in order to make Azerbaijan one of the members of the Eurasian Economic Union or does not Russia wants to lose Azerbaijan in the South Caucasus like Georgia?" He said "it has been many years that Russia has influence on Azerbaijan. In contrast, Azerbaijan maintains its determined foreign policy against Russian pressures. As long as the foreign policy of the USA, the EU, the RF, and Turkey do not change Azerbaijan will not be a member of the EEU." Ibrahimov commented parallel to Aslanlı's answer to the same question. He said "Although there are some Russia's pressures on Azerbaijan it is not beneficial for Russia to force Azerbaijan for such kind of organizations. Since 1991, Russia could not get any benefit by forcing Azerbaijan. Therefore forcing Azerbaijan is against Russia's national interest. Russia does not see Azerbaijan like Georgia's position. Keeping Azerbaijan as a neutral country in the South Caucasus is beneficial for Russia. Besides, different from Armenia Russia does not have strong tools for influence on Azerbaijan. Only mechanism for influence Azerbaijan is Nagorno Karabakh in Russia's hand and this is not essential tool to deter Azerbaijan from its big project in energy sector. Therefore, Russia is very careful about the relations with Azerbaijan.

Russia is one of the co-chairs in the OSCE Minsk group and apart from all other reasons; Azerbaijan has to maintain good relations with Russia. Russian involvements in all the conflicts in the post Soviet region still continue.

Azerbaijan supports territorial integrity of the countries involved in all those conflicts. Even when the post Soviet republics were not very vocal after Russia's annexation of Crimea, Azerbaijan kept supporting the territorial integrity of

Ukraine. In this issue, Azerbaijan made its position clear on the March 2014, UN General Assembly voting for the favor of preservation of Ukraine's territorial integrity. Furthermore, Baku supported territorial integrity of Ukraine in the Council of Europe Parliamentary Assembly (PACE). Azerbaijan also reacted immediately to the 'elections' in Donetsk and Lugansk in November. Azerbaijani government called the elections as illegitimate. Along with these supports, the State Oil Company of the Azerbaijan Republic (SOCAR) offered free food to Ukrainian soldiers who were fighting in the east of Ukraine against the terrorist groups. Azerbaijani government expects the support of the West in Nagorno Karabakh issue in terms of territorial integrity while supporting Ukraine's case. However Baku does not want to irritate Moscow in this issue. Therefore despite its clear position regarding the conflict in Ukraine, Azerbaijani media was careful not to include anything against the Russian actions in Ukraine.<sup>209</sup> Moreover, the dominant view in Azerbaijanis that the West supported the opposition groups in Ukraine and thus converting Ukraine an unstable country.<sup>210</sup> From Azerbaijan's point of view, this kind of chaotic events can be created in Azerbaijan as well and that is why government is very careful about this kind of conflicts.

Public opinion in Azerbaijan is not different than Azerbaijani government's approach towards Russia. According to public opinion polls, Azerbaijanis support their government's balanced foreign policy. A poll, which was conducted by the Caucasus Resource Centers, says that only 1 percent of the participants stated that Russia is Azerbaijan's closest ally. However, Azerbaijanis do not see Russia as the major enemy of their country either. In the same poll, only 20 percent of the respondents demanded that the Russian language to be mandatory in the

---

<sup>209</sup>Anar Valiyev, "The Ukrainian Crisis and Implications for Azerbaijan," *Caucasus Analytical Digest* (2014): 11-12, accessed June 16, 2015, <http://www.laender-analysen.de/cad/pdf/CaucasusAnalyticalDigest67-68.pdf>

<sup>210</sup>Thomas de Waal, "Azerbaijan Doesn't Want To Be Western," *Foreign Affair*(2014) accessed June 14, 2015, <https://www.foreignaffairs.com/articles/russia-fsu/2014-09-26/azerbaijan-doesnt-want-be-western>

secondary schools.<sup>211</sup> It shows that Azerbaijanis do not want to see the Russian as an influential language in the country.

Relations between the EU and Russia do not change Azerbaijan's foreign policy since its independence. The balanced foreign policy was initiated by Heydar Aliyev and it continues by the current president of Azerbaijan. Over the years while there have been some changes in the country's policies in general they have remained at the same line. There are some tangible interests from both actors (the EU and Russia) and Azerbaijani government follows a policy to achieve those interests.

### **5.3 Georgia's Pro-Western Approach**

Georgia's interests are different than the other South Caucasian states in terms of improving relations with external actors. The country faces the similar problems like Azerbaijan but some specific features force Georgia to follow a different path from Azerbaijan. Although, these two countries had internal conflicts shortly after the independence, Georgia did not have any natural resources like Azerbaijan to compensate its economy. Economic dependence on Russia and its ongoing internal conflicts were two main obstacles for Georgia to maneuver in its foreign policy.

Despite the fact that the Georgia's relations with the West have been started in 1992, real involvement with the Western world started after the Rose Revolution in 2003. Guaranteeing its security and territorial integrity were the main expectations of Georgia from the West. Therefore the new and energetic president of Georgia, Micheal Saakashvilli specified the direction of Georgia's foreign policy when he came to power after the Orange Revolution in 2003. Saakashvilli's message was clear about Georgia's new route. The country will pursue to associate with Euro-Atlantic and the EU even if this association disturbs the relations with Russia.

---

<sup>211</sup>Opinion Poll, "Friends and Enemies. How the Population of the Three South Caucasus States Perceives Other Countries," *Caucasus Analytical Digest* (2013): 21-23, accessed June 16, 2015, <http://www.css.ethz.ch/publications/pdfs/CAD-51-52.pdf>

For the Georgian government, the priority of these directions was the USA/NATO till 2008. The reason of this might be the lack of EU's active involvement in the region in this period. However Bucharest Summit disappointed Tbilisi where NATO Membership Action Plan was not offered to Georgia on April 3, 2008.<sup>212</sup> After this event in the following summer, Five Days war occurred between Russia and Georgia. Georgia started to search new allies against Russia after being pushed away from Russia due to that war. In 2009, the EU launched its Eastern Partnerships Program as a part of the ENP. The EU's eagerness on its Eastern countries encouraged Georgian government to develop its relations with the Union. The relations between Georgia and the EU peaked when Tbilisi signed the Association Agreement with the EU on June 27, 2014.<sup>213</sup>

Georgia's urgent problems are poverty and national security which are expected to be solved thanks to the EU's support. Searching new ways to escape from the Russian influence brought Georgia some advantages as well. In the case of Foreign Direct Investment, Georgia is not dependent on Russia anymore. According to Georgia's statistics office, five largest investor countries in Georgia were Netherlands, Luxembourg, China, Azerbaijan, and Turkey in 2013.<sup>214</sup> Russia was not even among the top ten countries in that list. Unlike the EU's other Eastern Partners (except for Azerbaijan), Russia is not the main trading partner of Georgia in terms of oil and gas. In this case, Azerbaijan is the main partner of Georgia, which is the most crucial energy partner of the EU as well.

---

<sup>212</sup>Tamar Khidasheli, "Georgia's European Way," *Internationale Politik und Gesellschaft* (2011): 96, accessed June 18, 2015, [http://library.fes.de/cgi-bin/populo/digbib.pl?t\\_dirlink=x&modus=&f\\_IDR=I+08276](http://library.fes.de/cgi-bin/populo/digbib.pl?t_dirlink=x&modus=&f_IDR=I+08276)

<sup>213</sup>External Action, "EU forges closer ties with Ukraine, Georgia and Moldova," *EUROPA* (2014) accessed June 19, 2015, [http://eeas.europa.eu/top\\_stories/2014/270614\\_association\\_agreement\\_en.htm](http://eeas.europa.eu/top_stories/2014/270614_association_agreement_en.htm)

<sup>214</sup>Sergi Kapanadze, "Georgia's Vulnerability to Russian Pressure Points," *European Council on Foreign Policy* (2014): 2, accessed, June 19, 2015, [http://www.ecfr.eu/page/-/ECFR106\\_GEORGIA\\_MEMO\\_AW.pdf](http://www.ecfr.eu/page/-/ECFR106_GEORGIA_MEMO_AW.pdf)

Parallel to the direction of the government's foreign policy, most of the Georgians also support country's foreign policy direction. 65 percent of Georgians support the EU membership while only 16 percent of them want to see the country in the Eurasian Economic Union. 58 percent of the population thinks that association with the EU or NATO can be beneficial for Georgia while 20 percent of them are in favor of keeping close relations with Russia.<sup>215</sup> Another crucial survey was conducted by the EU Neighborhood Barometer in 2014 about Georgians' opinion on the association with the EU. According to this poll, trust rate to international institutions such as the EU, the UN and NATO is high among Georgians. Particularly the EU is the trust worthiest institution (trusted by 61 percent of the respondents) in Georgia.<sup>216</sup> It is also interesting that the people in the three pro-Western countries' among the EU's Eastern partners (Georgia, Ukraine and Moldova) are not satisfied with the level of democracy in their countries. In Azerbaijan, Russia and Belarus however the majority of the respondents are satisfied.<sup>217</sup> The EU's image is positive in Georgia as well. According to the poll, 40 percent of the respondents view the EU totally positive whereas only 9 percent of the respondents see the Union with a totally negative image.<sup>218</sup> Apart from it, 69 percent of the participants see the EU as a partner institution of Georgia.<sup>219</sup> In general, 68 percent of the Georgian respondents consider the relations between their country and the EU as good.<sup>220</sup>

Although Georgia strongly tends to be more connected to the EU, it is hard to say Georgia will become a member country of the EU. The country has serious obstacles

---

<sup>215</sup>Liana Fix, "Georgia Knocking on Europe's Door," *DGAP kompakt* (2014): 4, accessed June 19, 2015, <https://dgap.org/de/article/getFullPDF/25499>

<sup>216</sup>EU Neighbourhood Barometer, "Eastern Partnership," *The European Union* (2014): 33.

<sup>217</sup>*Ibid.*, 35.

<sup>218</sup>*Ibid.*, 38.

<sup>219</sup>*Ibid.*, 40.

<sup>220</sup>*Ibid.*, 48.

in the path of integration with the Union; among them, security issue is the main obstacle. Russia's annexation of Crimea showed the EU's weakness to prevent Russia's aggressive actions against the former Soviet republics. This event made Tbilisi worried in terms of its two problematic provinces (South Ossetia and Abkhazia). Russia has enough tools to hinder Georgia's ambitions on integration with the West, and Moscow does not hesitate to use them against Georgia.

In Georgian society, it is possible to find pro-Russians or neutral groups (neither pro-Russian nor pro-Western) and Moscow has capacity to manipulate these groups. Nino Burjanadze, the head of Democratic Movement – United Georgia political party, and Kakha Kukava, the head of Free Georgia, are known as pro-Russian leaders or parties. Apart from these two parties, Georgian Orthodox Church, which has very strong effects on the community, has deep links with the Russian Orthodox Church and they both are against 'European values'.<sup>221</sup> Adaption of the new law about anti-discrimination right, before signing the Association Agreement with the EU in Georgia, was strongly criticized by the Georgian Patriarch Ilia II. The patriarch called the new law as a 'huge sin' to show its position towards 'Westernization'.<sup>222</sup>

Moscow uses the Georgian migrant card against Tbilisi to deter it from Western ambitions. Georgian workers in Russia are crucial to Georgia's economy because of the remittances sent by them. 1.47 billion USD coming through remittances the 54 percent of which came from the migrants in the Russian Federation in 2013.<sup>223</sup> Besides, implementing embargo on wine and mineral water by Moscow badly affected the country's economy. Implementing embargo can easily disrupt Georgia's wine sector, because 50 percent of Georgian wine is exported to Russia (even this figure was seventy percent in 2014).<sup>224</sup>

---

<sup>221</sup>Kapanadze, "Georgia's Vulnerability to Russian Pressure Points," 3.

<sup>222</sup>Fix, "Georgia Knocking on Europe's Door," 4.

<sup>223</sup>Kapanadze, "Georgia's Vulnerability to Russian Pressure Points," 5.

<sup>224</sup>Ibid., 3.



Russia's another tool for pressing Georgia is the Russian speaking Armenians who live in the south of Georgia (Samtskhe-Javakheti). In this territory, 54 percent of the population is Armenian and they are not well integrated into Georgian society. They have already indicated their dissatisfaction when Russian military base was closed in the region in 2007. That military base was the work place for the people and closing of the base pushed these people economically into even worse situation. Furthermore, there are some rumors about the distribution of Russian passports in the area and this also creates concerns in Tbilisi that Russia can use them to destabilize the country.<sup>225</sup>

Among these, Russia's strongest card to prevent Georgia's European integration process is still the two breakaway territories. After the Five Days war in 2008, Russia recognized the independence of South Ossetia and Abkhazia and tried to gain international support for these two 'republics'.<sup>226</sup> The problem with these two provinces is the most vulnerable issue for Georgia. Because of these problems Georgia has difficulty in avoiding Russian influence and in integrating with the EU. Russian soldiers protect the borders between Georgia and these breakaway 'republics.' Russia continues to consolidate its military presence in the region. Even the annexation of Crimea increased the threat on Tbilisi that Russia can easily occupy its breakaway territories as well.

Russia's support to South Ossetia and Abkhazia worries Georgians and this thing is reverberated from surveys. According to the Caucasus Barometer, 35 percent of the people perceive Russia as the biggest enemy of their country.<sup>227</sup> This also shows that while majority of the Georgian society support rapprochement with the EU and see the EU as the best partner of Georgia, they see Russia as the biggest threat to their country. However, despite the Georgian people's support to their

---

<sup>225</sup>Fix, "Georgia Knocking on Europe's Door," 3.

<sup>226</sup> Ibid.

<sup>227</sup>Opinion Poll, "Friends and Enemies. How the Population of the Three South Caucasus States Perceives Other Countries," 21.

government's policy, it seems a double-edged game. If Georgia's economic and security problems will not be solved in the short run, people's mind may change about the EU. Georgia's pro-Western position depends on to the extent of the EU's support to Georgia's territorial integrity as well as Union's economic aid to overcome the economic problem in the country.

## **5. Conclusion**

In this thesis I analyzed the factors contributing to the current competition between Russia and the EU. While doing this I first provided a context underlining the interests of these two powers from a historical perspective. This allowed me to understand the sources of the current competition. Following this chapter with a historical analysis, in the third chapter I delineated the Russian and European interests in the South Caucasus to understand the motivations of these actors. In this chapter I also included the policies of the other outside powers such as Turkey, Iran and the USA to analyze the context from a more complete perspective. In the fourth chapter I analyzed the policies of the EU and Russia in detail as shaped by their interests in the region. This allowed me to understand the vitality of the competition between the two powers. In the fifth chapter, I discussed the views from the South Caucasian republics towards the competition of the EU and the RF and their own foreign policy orientation vis-à-vis these actors. The analysis of all these issues in the thesis leads me to the following conclusions.

Since the collapse of the Soviet Union the historical competition over the South Caucasus escalated again between Russia and the external powers. In this period Russia faced a new external power which was different from the Tsarist era. The multipolar world order brought new dimensions to the competition in the South Caucasus. The interests of the West and Russia on the region became quiet opposite like a zero sum game. When one of them takes the lead in improving its relations with the region's republics the other one seems losing the advantage. The EU and Russia are competing in several policy-related aspects in the region which strongly affects the South Caucasian republics.

The EU's economic and geostrategic interests in the region are especially increasing the stakes in the rivalry over the South Caucasus. The EU's dependence on Russia in energy sector and Russian frequent use of the energy card has forced the Union to diversify its energy supply routes. The South Caucasus in this respect is an important region to mitigate the dependence of the EU on the Russian gas. From

the EU's point of view, Caspian natural resources can reduce its dependence on Russia. The oil and gas rich country, Azerbaijan, has already bypassed Russia and successfully constructed a pipeline from Azerbaijan to Turkey. From this perspective the Union's ambitions are achievable. Beyond that, the EU can access Central Asia through South Caucasus which means easy access to the whole Asian markets. Another main interest of the EU is related with its security. The Union needs stable and peaceful countries in its neighborhood yet after the Arab Spring the southern neighbors of the EU became unstable. Therefore, the EU is more careful about its eastern neighbors considering the fact that potential instability may affect the Union negatively. Within this scope the Union promotes its 'values' in the South Caucasus.

The EU's policies in the South Caucasus threaten Russia's main interests in the region. First, the EU's diversification policy on energy supply is directly creating a risk for Russia's energy policy. Russia's economy heavily depends on the revenues earned from the natural resources and losing monopoly in European energy market means losing the main income of the country. Therefore, in this matter, Russia's main aim is to undermine the EU's energy policies in the South Caucasus. In this case, Russia does not welcome the construction of the Trans-Caspian Pipeline project, which will allow the EU to access the eastern side of Caspian resources as well. From Moscow's perspective, the EU apart from achieving its economic motives is trying to dictate its values such as democracy and politics of Westernization to the South Caucasus via its Eastern Partnership policy. From the Kremlin's point of view the EU uses democracy to establish its influence in the South Caucasus. Besides, the Union's philosophy of democracy creates a threat to Russia's domestic political system. In addition to all these, the involvement of the EU in the South Caucasus threatens Russian hegemony in the region. Russia already has weak relations with Georgia and does not want lose Azerbaijan and Armenia either. The EU's policies in the South Caucasus make these countries to follow more independent policies from the Russian line.

The competition between the EU and Russia bring certain benefits to the South Caucasian republics. On one hand, Armenia gets benefits from the EU in terms of economic aids and visa facilitations. Armenia being a landlocked country does neither have any natural resources nor a developed industry. Therefore, the EU's economic aids are important for the country. From this perspective, the EU's involvement with region is beneficial for Armenia. On the other hand, Armenia is a member of the Russian-led regional security organization CSTO as well as the economic organization, Eurasian Economic Union. Economically Armenia depends on Russia and without the Russian support; Armenia may become weaker against its 'enemies' in the region. Furthermore, Armenia's main military ally is Russia and Russian soldiers are protecting its main borders. That is why, a stronger competition between Russia and the EU may force Armenia to choose sides and therefore not very useful.

Azerbaijan has a stronger hand in regulating its relations with Russia and the EU as opposed to Armenia. Azerbaijan is the only oil rich country in the South Caucasus and the EU's energy dependence on Russia forces it to cooperate with Azerbaijan to diverse its energy supply. However, the Union does not fulfill Azerbaijan's expectations on the Nagorno Karabakh issue. The EU prefers to be neutral on this issue which is disappointing Azerbaijan. On the other hand, Russia is one of co-chairs in the OSCE Minsk group, which is responsible for coming up with a solution to the Nagorno Karabakh issue. Baku's weak relations with Moscow and strong pro-Western policies can be harmful for the country's national interests. Azerbaijan's balanced foreign policy is not affected very much due to the level of competition between the EU and Russia because Azerbaijan keeps the same distance with the EU and Russia and maintains its relations with both of the actors.

Georgia is known as a strong pro-Western country in the South Caucasus and having almost no relations with Russia. Being far from having any natural resources and facing instability in two of its provinces makes Russia's position powerful in Georgia. The relations between Georgia and Russia minimized with August War in 2008.

After this war Russia recognized the independence of South Ossetia and Abkhazia. Russia is continuing military existence in Georgia through these two breakaway territories. Tbilisi wants to see a strong rivalry on the South Caucasus between the EU and Russia because it expects the competition will accelerate the process of Georgia's integration with the EU. The EU is a hope for Georgia to help with country's fragile economy and to avoid Russian influence. Therefore, the competition between the EU and Russia is beneficial from Georgia's point of view.

As the heightened tension between the EU and Russia over Ukraine is a major source of instability in the Eurasian region, the South Caucasus forms another platform for the clash of the interests of these two powers. Some political commentators use the term "the new cold war" in order to define the situation after the Ukrainian related crisis. The South Caucasus carries the danger of becoming a similar competition ground for the actors involved. Therefore understanding the root causes of the competition becomes important considering the future prospects.

## Reference List

Abbasov, Tural. "Azerbaijan and Eastern Partnership relations: Current trends," *The Foreign Policy Centre* (2015): 57. Edited by Adam Hug. Accessed May 16, 2015. <http://fpc.org.uk/fsblob/1681.pdf>

Abilov, Shamkhal. "The Azerbaijan-Israel Relations: A Non-Diplomatic, But Strategic Partnership." *Orta Asya ve Kafkasya Araştırmaları* (2009): 149. Accessed April 22, 2015. <http://www.usak.org.tr/dosyalar/dergi/gm3veLfV7Q5rP83jaIV34UObvarinb.pdf>

Abushov, Kavus. "Policing the near abroad: Russian foreign policy in the South Caucasus." *Australian Journal of International Affairs* (2009): 194. Accessed March 28, 2015. doi: 10.1080/10357710902895129.

Antoniades, Andreas. "From 'Theories of Hegemony' to 'Hegemony Analysis' In International Relations." *49<sup>th</sup> ISA Annual Convention* (2008): 3. Accessed July 28, 2015. [http://sro.sussex.ac.uk/2175/1/Hegemony\\_in\\_International\\_Relations\\_AA\\_ISA\\_\(2\).pdf](http://sro.sussex.ac.uk/2175/1/Hegemony_in_International_Relations_AA_ISA_(2).pdf)

Arslanian, Artin H. "Britain and The Transcaucasian Nationalities During The Russian Civil War." *Wilson Center* (1980): 4. Accessed June 5, 2015. <http://www.wilsoncenter.org/publication/britain-and-the-transcaucasian-nationalities-during-the-russian-civil-war-1980>

Aslanlı, Araz. "Azerbaijan-Russia Relations: Is The Foreign Policy Strategy Of Azerbaijan Changing?." *Turkish Policy Quarterly* (2010): 138-139. Accessed May 7, 2015. <http://turkishpolicy.com/article/Azerbaijan-Russia-Relations-Is-Foreign-Policy-Strategy-of-Azerbaijan-Changing-Fall-2010-540>

Aslanlı, Araz. "Skype Interview." *Caucasian Center for International Relations and Strategic Studies*, Date: July 31, 2015.

Association Agreement, *Official Journal of the European Union* (2014). Accessed May 22, 2015. [http://eeas.europa.eu/georgia/pdf/eu-ge\\_aa-dcfta\\_en.pdf](http://eeas.europa.eu/georgia/pdf/eu-ge_aa-dcfta_en.pdf)

Axmith, Bradley. "Denying History: The United States' Policies toward Russia in the Caspian Sea Region, 1991-2001." *Anchor Academic Publishing* (2003): 54.

Baban, Inessa, and Shiriyev, Zaur "The U.S. South Caucasus Strategy and Azerbaijan" *Turkish Policy* (2010). Accessed 29 March 2015. [http://turkishpolicy.com/pdf/vol\\_9-no\\_2-baban\\_shiriyev.pdf](http://turkishpolicy.com/pdf/vol_9-no_2-baban_shiriyev.pdf)

Balla, Evanthia. "Turkish and Iranian interests and policies in the South Caucasus." *Norwegian Peacebuilding Resource Centre* (2013): 2. Accessed April 22, 2015.  
[http://peacebuilding.no/var/ezflow\\_site/storage/original/application/4b0857e9346d1c11fcfe98dc3a42c49a.pdf](http://peacebuilding.no/var/ezflow_site/storage/original/application/4b0857e9346d1c11fcfe98dc3a42c49a.pdf)

Baran, Zeyno. "EU Energy Security: Time to End Russian Leverage." *The Washington Quarterly* (2010): 131-144. Accessed 30 March, 2015. DOI: 10.1162/wash.2007.30.4.131.

Bishku, Michael. "The South Caucasus Republics and Russia's Growing Influence: Balancing on a Tightrope." *MERIA Journal* (2011). Accessed April 3, 2015.  
<http://www.rubincenter.org/2011/08/the-south-caucasus-republics-and-russia%E2%80%99s-growing-influence-balancing-on-a-tightrope/>.

Brewda, Joseph and Hoyos, Linda de. "General Thomson's little war." *Executive Intelligence Review* (1999): 27. Accessed June 7, 2015.  
<http://www.larouchepub.com/eiw/public/1999/eirv26n36-19990910/eirv26n36-19990910.pdf>

Brzezinski, Zbigniew K. *Russia and the Commonwealth of Independent States: Documents, Data, and Analysis*, New York: ME Sharpe, 1997.

Burchill, Scott. *The National Interest in International Relations Theory*. New York: Palgrave Macmillan, 2005.

"Cabinet Meeting: Armenia to get Aid from Russia, Provide more Space to Russian Military Base." *Armenia Now*, March 26, 2015. Accessed June 7, 2015.  
[http://armenianow.com/news/61796/armenia\\_government\\_meeting\\_aid\\_russia\\_gyumri](http://armenianow.com/news/61796/armenia_government_meeting_aid_russia_gyumri)

Cadier, David. "Is the European Neighbourhood Policy a substitute for enlargement?" *The London School of Economics and Political Science* (2013): 53. Accessed May 16, 2015.  
[http://www.lse.ac.uk/IDEAS/publications/reports/pdf/SR018/Cadier\\_D.pdf](http://www.lse.ac.uk/IDEAS/publications/reports/pdf/SR018/Cadier_D.pdf)

Center for Economic and Social Development "Azerbaijan: Poll Casts Light on Attitudes to The EU and How People See Their Lives." (2014). Accessed May 26, 2015. <http://cesd.az/new/?p=8570>

Cenusa, Denis. "The challenges facing Moldova on its path to Europe," *The Foreign Policy Centre* (2015): 41. Edited by Adam Hug. Accessed May 16, 2015.  
<http://fpc.org.uk/fsblob/1681.pdf>



Charap, Samuel and Welt, Cory. "A More Proactive U.S. Approach to the Georgia Conflicts." *Center for American Progress* (2011): 6. Accessed May 19, 2015.  
<https://www.americanprogress.org/wp-content/uploads/issues/2011/02/pdf/georgia-report.pdf>

Ciarreta, Aitor and Nasirov, Shahriyar. "Analysis of Azerbaijan Oil and Gas Sector." *Energy Policy* (2012): 2. Accessed April 11, 2015.  
[http://www.usaee.org/usaee2011/submissions/onlineproceedings/ciarreta\\_nasirov-article1.pdf](http://www.usaee.org/usaee2011/submissions/onlineproceedings/ciarreta_nasirov-article1.pdf)

Coene, Frederik. *The Caucasus: An introduction*. New York: Routledge, 2010.

Comelli, Michele, Eralp Atila, and Üstün, Çiğdem. "The European Neighbourhood Policy and The Southern Mediterranean Drawing from the Lessons of Enlargement." *Midde East Technical University Press* (2009): 17. Accessed May 16, 2015.  
[http://www.ces.metu.edu.tr/docs/european\\_neighbourhood\\_policy.pdf](http://www.ces.metu.edu.tr/docs/european_neighbourhood_policy.pdf)

Cornell, Svante E. *Small Nations and Great Powers*, London: Taylor & Francis, 2005. Accessed march 10, 2015.  
[https://is.muni.cz/el/1423/podzim2012/MVZ208/um/35586974/Small\\_Nations\\_and\\_Great\\_Powers\\_\\_A\\_Study\\_of\\_Ethnopolitical\\_Conflict\\_in\\_the\\_Caucasus\\_\\_.pdf](https://is.muni.cz/el/1423/podzim2012/MVZ208/um/35586974/Small_Nations_and_Great_Powers__A_Study_of_Ethnopolitical_Conflict_in_the_Caucasus__.pdf)

Cornell, Svante E., Starr, S. Frederick and Tsereteli, Mamuka "A Western Strategy for the South Caucasus." *The Silk Road Studies Program* (2015). Accessed 29 March 2015. <http://www.silkroadstudies.org/resources/pdf/publications/1502Strategy.pdf>

Council of the European Union, "Joint Declaration of the Prague Eastern Partnership Summit." *8435/09 (Presse 78)* (2009). Accessed May 16, 2015.  
[http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/er/107589.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/107589.pdf)

Dekanozishvili, Mariam. "The EU in the South Caucasus: By What Means, to What Ends?" *The Georgian Foundation for Strategic and International Studies* (2004): 6-7. Accessed April 04, 2015.  
[http://gfsis.org/media/activities/thumb1\\_/pub/files/publications\\_politics/dekanozishvili\\_The\\_EU.pdf](http://gfsis.org/media/activities/thumb1_/pub/files/publications_politics/dekanozishvili_The_EU.pdf)

Delcour, Laure, and Hubert, Duhot. "Bringing South Caucasus Closer to Europe: Achievements and Challenges in ENP Implementation." *College of Europe Natolin Campus* (2011): 6. Accessed April 3, 2015.  
[https://www.coleurope.eu/sites/default/files/research-paper/delcour\\_duhot\\_0.pdf](https://www.coleurope.eu/sites/default/files/research-paper/delcour_duhot_0.pdf)

Delcour, Laure. "Faithful but Constrained? Armenia's Half-Hearted Support for Russia's Regional Integration Policies in the Post-Soviet Space." *Geopolitics of*

*Eurasian Integration* (2014): 4-5. Accessed April 14, 2015.  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2460335](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2460335)

Dragneva, Rilka and Wolczuk, Kataryna. "The Eurasian Economic Union – What kind of alternative to the Eastern Partnership?." *The Foreign Policy Centre* (2015): 2015. Edited by Adam Hug. Accessed May 16, 2015. <http://fpc.org.uk/fsblob/1681.pdf>

Dvali, Ana and Kanashvili, Giorgi. "Georgia and the EU: Popular expectations, EU-led Programmes and Challenges." *The Foreign Policy Centre* (2015): 48. Edited by Adam Hug. Accessed May 16, 2015. <http://fpc.org.uk/fsblob/1681.pdf>

Eastern Partnership Summit, "Joint Declaration of the Eastern Partnership Summit (Riga, 21-22 May 2015)." *Latvian Presidency of the Council of the European Union*, May 22, 2015. Accessed May 28, 2015. <https://eu2015.lv/events/political-meetings/eastern-partnership-summit-2015-05-21>

Eastern Partnership, "Questions and Answers." *EUNeighbourhood Info Centre* (2013): 3. Accessed May 15, 2015. [http://www.enpi-info.eu/files/publications/Eastern%20Partnership%20Q&A%20PDF\\_EN.pdf](http://www.enpi-info.eu/files/publications/Eastern%20Partnership%20Q&A%20PDF_EN.pdf)

Esipova, Neli and Ray, Julie. "Former Soviet Countries See More Harm from Breakup." *Gallup* (2013). Accessed June 16, 2015. [http://www.gallup.com/poll/166538/former-soviet-countries-harm-breakup.aspx?utm\\_source=Azerbaijan&utm\\_medium=search&utm\\_campaign=tiles](http://www.gallup.com/poll/166538/former-soviet-countries-harm-breakup.aspx?utm_source=Azerbaijan&utm_medium=search&utm_campaign=tiles)

EU Neighborhood Info Centre, "What do Armenians think about the EU? New poll casts on attitudes." (2014). Accessed June 02, 2015. [http://www.enpi-info.eu/maineast.php?id\\_type=1&id=38447](http://www.enpi-info.eu/maineast.php?id_type=1&id=38447)

EU Neighbourhood Barometer, "Eastern Partnership." *The European Union* (2014): 38. Accessed May 29, 2015. [http://euneighbourhood.eu/wp-content/uploads/2014/09/6009ENPI\\_wave5\\_East-main.pdf](http://euneighbourhood.eu/wp-content/uploads/2014/09/6009ENPI_wave5_East-main.pdf)

Eurasian Economic Commission, "Armenia is now in the Eurasian Economic Union." (2015). Accessed May 5, 2015. <http://www.eurasiancommission.org/en/nae/news/Pages/02-01-2015-1.aspx>

European Commission, "Towards a new European Neighbourhood Policy." *High Representative of The European Union For Foreign Affairs And Security Policy* (2015): 2. Accessed May 16, 2015. <http://ec.europa.eu/enlargement/neighbourhood/consultation/consultation.pdf>

European Commission. "Single Support Framework for EU support to Armenia (2014-2017)." *European External Action Service* 7. Accessed June 12, 2015.

[http://eeas.europa.eu/enp/pdf/financing-the-enp/armenia\\_2014\\_2017\\_programming\\_document\\_en.pdf](http://eeas.europa.eu/enp/pdf/financing-the-enp/armenia_2014_2017_programming_document_en.pdf)

European Friends of Armenia. "EU-Armenia relations: future developments and prospects." (2014): 5. Accessed April 19, 2015.  
<http://www.eufoa.org/uploads/FutureofEUAMRelations.pdf>

European Integration Index for Eastern Partnership Countries (2013): 50. Accessed May 15, 2015. [http://www.eap-index.eu/images/Index\\_2013.pdf](http://www.eap-index.eu/images/Index_2013.pdf)

European Movement International, "Eastern Partnership: road to Riga." (2015): 1. Accessed May 17, 2015. <http://europeanmovement.eu/wp-content/uploads/2015/03/EMI-Background-Briefing-Eastern-Partnership.pdf>

External Action. "EU forges closer ties with Ukraine, Georgia and Moldova." *EUROPA* (2014). Accessed June 19, 2015. [http://eeas.europa.eu/top\\_stories/2014/270614\\_association\\_agreement\\_en.htm](http://eeas.europa.eu/top_stories/2014/270614_association_agreement_en.htm)

Fix, Liana. "Georgia Knocking on Europe's Door." *DGAP kompakt* (2014): 4. Accessed June 19, 2015. <https://dgap.org/de/article/getFullPDF/25499>  
Foreign Policy. "The Priorities of the Foreign Policy of the Republic of Azerbaijan."

Heydar Aliyev Foundation. Accessed April 21, 2015.  
[http://www.azerbaijan.az/portal/WorldCommunity/ForeignPolicy/foreignPolicy\\_e.html](http://www.azerbaijan.az/portal/WorldCommunity/ForeignPolicy/foreignPolicy_e.html)

Forsyth, James. *The Caucasus, A History*. Cambridge: Cambridge University Press, 2013.

Gallup International Association in Armenia. "Survey: Over 60% of Armenians would choose Russia if there was need to align with any country choose Russia if there was need to align with any country." *Verelq*, March 2, 2015. Accessed June 9, 2015.  
<http://www.verelq.am/en/node/264>

"Global Poll Finds Strong Pro-Russian Sentiment in Armenia." *Radio Free Europe/Radio Liberty*, August 9, 2011. Accessed June 9, 2015.  
[http://www.rferl.org/content/pro\\_russia\\_sentiment\\_in\\_armenia/24291052.html](http://www.rferl.org/content/pro_russia_sentiment_in_armenia/24291052.html)

Gogberashvili, Salome. "Why Does the South Caucasus Matter for the EU and Russia." Master diss., Institute of European Studies at Tbilisi State University, 2010.

Gogolashvili, Kakha "The EU and Georgia: The Choice is in the Context." *Europe in Dialogue* (2009): 91. Accessed April 18, 2015.

[http://kms2.isn.ethz.ch/serviceengine/Files/RESSpecNet/104887/ichaptersection\\_singledocument/4C035BDB-C1A1-4C2A-9C63-B66D4C8CFA92/en/3.pdf](http://kms2.isn.ethz.ch/serviceengine/Files/RESSpecNet/104887/ichaptersection_singledocument/4C035BDB-C1A1-4C2A-9C63-B66D4C8CFA92/en/3.pdf)

Gökay, Bülent. "The Battle for Baku (May-September 1918): A Peculiar Episode in the History of the Caucasus." *Middle Eastern Studies* (2006): 32. Accessed June 6, 2015. <http://www.tandfonline.com/doi/pdf/10.1080/00263209808701208>

Goldman, Marshall I. *Petrostate Putin, Power, and the New Russia*, New York: Oxford University Press, 2008.

Gordadze, Thronike. "Georgian-Russians in the 1990s." In *The Guns of August 2008 Russian's War in Georgia*, edited by Svante E. Cornell and Frederick Starr, 49-85. New York: M.E. Sharpe, Inc, 2009.

Grigoryan, Hasmik. "Democracy in Armenia.EU's Eastern Partnership as a Supportive Tool towards Democracy." PhD diss., Comenius University, 2013.

Guseinova, Esmira. "The Russia's Interests behind the Involvement in Georgia-South Ossetian Conflict." Master diss., Central European University, 2012.

Hale, Jacqueline. "EU relations with Azerbaijan: More for Less?" *Open Society Institute* (2012): 3. Accessed June 15, 2015. <http://www.opensocietyfoundations.org/sites/default/files/eu-relations-azerbaijan-20120606.pdf>

Hiatt, Fred. "Why Armenia turned to Russia instead of the West." *The Washington Post*, May 7, 2015. Accessed June 9, 2015. <http://www.washingtonpost.com/blogs/post-partisan/wp/2015/05/07/why-armenia-turned-to-russia-instead-of-the-west/>

Hoe-Yeong, Ioke. "Of neighbours, partners and EU aspirants: The case of EU-Georgia relations since the 2003 Rose Revolution." *EU Centre in Singapore* (2011): 12. Accessed April 18, 2015. <http://www.eucentre.sg/wp-content/uploads/2013/06/BB05.Of-neighbours-partners-and-EU-aspirants.pdf>

Iasonidis, Athanasios. "Foreign Relations between Russia and Georgia: From the Independence to the Russian Invasion." MA diss., University of Macedonia, 2011.

Ibrahimov, Rovshan. "Skype Interview." *Azerbaijan Diplomatic Academy University* Date: July 31, 2015.

Illarionov, Andrei. "The Russian Leadership's Preparation for War, 1999-2008." In *The Guns of August 2008 Russian's War in Georgia*, edited by Svante E. Cornell and Frederick Starr, 49-85. New York: M.E. Sharpe, Inc, 2009.

Iran (Islamic Republic of)'s Constitution of 1979 with Amendments through 1989." *Constitute* (2015): 36. Accessed April 22, 2015.  
[https://www.constituteproject.org/constitution/Iran\\_1989.pdf](https://www.constituteproject.org/constitution/Iran_1989.pdf)

Isgenderli, Anar. *Realities of Azerbaijan 1917-1920*. Translated by YusifAxundov. United States of America: Xlibris Corporation, 2011.

Ismailzade, Fariz. "Azerbaijan's Tough Foreign Policy Choices." *UNISCI Discussion Papers* (2004):2. Accessed May 7, 2015.

Ismayilov, Elnur "Foreign Policy Strategies of the USA and Russia in the South Caucasus and Central Asian Regions. New Geopolitical Changes and Clash of National Interests." *Graduate School of Politics*(2013).Accessed April 21, 2015.[http://www.uni-muenster.de/imperia/md/content/graduate\\_school\\_of\\_politics/dokumente/downloads/poster\\_ismayilov.pdf](http://www.uni-muenster.de/imperia/md/content/graduate_school_of_politics/dokumente/downloads/poster_ismayilov.pdf)

İsmayilov, Elnur. "Yüzyıl Rusya Dış Politika Doktrinleri'nde Güney Kafkasya ve Orta Asya Değerlendirmesi." *Journal of PoliticalScience* (2013): 99. Accessed May 7, 2015.  
<http://e-dergi.marmara.edu.tr/marusbd/article/view/1012001215/1012001037>

Jones, Stephen. *Nationalism From Under the Rublle*, Michigan: The University of Michigan press, 2006.Accessed March 26, 2015.  
<http://www.press.umich.edu/pdf/0472098985-ch10.pdf>

Jozwiak, Rikard. "Disagreements Shadow EU Eastern Partnership Summit." *Radio Free Europe*, May 22, 2015. Accessed May 27, 2015.  
<http://www.rferl.org/content/eu-eastern-partnership-summit-text-wording/27030727.html>

Kaeter, Margaret. *Nations in Transition: The Caucasian Republics*. New York: Facts on File, Inc., 2004.

Kahraman, Sevilay. "The European Neighbourhood Policy: The European Union's New Engagement towards Wider Europe." *Perceptions* (2005): 3. Accessed May 16, 2015. <http://sam.gov.tr/wp-content/uploads/2012/01/Sevilay-Kahraman.pdf>

Kapanadze, Sergi. "Georgia's Vulnerability to Russian Pressure Points." *European Council on Foreign Policy* (2014): 2. Accessed, June 19, 2015.  
[http://www.ecfr.eu/page/-/ECFR106\\_GEORGIA\\_MEMO\\_AW.pdf](http://www.ecfr.eu/page/-/ECFR106_GEORGIA_MEMO_AW.pdf)

Karabayram, Firat. "Rusya Federasyonu'nun Güney Kafkasya Politikası." Master Diss., Atılım Üniversitesi, 2007.

Kasčiūnas, Laurynas and Šukytė, Dovilė. "The future of the EU's Eastern Partnership – challenges and opportunities for Lithuania's foreign policy." *Eastern Europe Studies Centre* (2013): 1. Accessed May 14, 2015.  
[http://www.eesc.lt/uploads/news/id660/Eastern%20Pulse%203%20\(48\).pdf](http://www.eesc.lt/uploads/news/id660/Eastern%20Pulse%203%20(48).pdf)

Kelkitli, A. Fatma. "Russian Foreign Policy in South Caucasus under Putin," *Perceptions* (2008): 79-80. Accessed May 22, 2015. <http://sam.gov.tr/wp-content/uploads/2012/01/Fatma-Kelkitli.pdf>

Khidasheli, Tamar. "Georgia's European Way." *Internationale Politik und Gesellschaft* (2011): 96. Accessed June 18, 2015. [http://library.fes.de/cgi-bin/populo/digbib.pl?t\\_dirlink=x&modus=&f\\_IDR=I+08276](http://library.fes.de/cgi-bin/populo/digbib.pl?t_dirlink=x&modus=&f_IDR=I+08276)

King, Charles. "The Five-Day War." *Foreign Affairs* (2008): 2. Accessed June 30, 2015. <https://www.foreignaffairs.com/articles/russia-fsu/2008-11-01/five-day-war>

King, Charles. *The Ghost of Freedom*, New York: Oxford University Press, 2008. Accessed March 7, 2015. [http://www.cerkesarastirmalari.org/pdf/ingilizce/Ghost\\_of\\_Freedom.pdf](http://www.cerkesarastirmalari.org/pdf/ingilizce/Ghost_of_Freedom.pdf)

Kjærnet, Heidi. "The Energy Dimension of Azerbaijani–Russian Relations: Maneuvering for Nagorno-Karabakh." *Russian Analytical Digest* (2009): 4. Accessed April 11, 2015. <http://www.css.ethz.ch/publications/pdfs/RAD-56.pdf>

Kocaman, Ömer. "Russia's Relations With Georgia Within The Context Of The Russian National Interests Towards The South Caucasus In The Post-Soviet Era: 1992-2005." *Orta Asyave Kafkasya Araştırmaları* (2007): 7. Accessed April 11, 2015. <http://www.usak.org.tr/dergi.php?id=11&cat=51#.VSIUQtysVhg>

Kotz David M., and Weir, Fred. *Russia's Path from Gorbachev to Putin: The demise of the Soviet system and the new Russia*, New York: Routledge, 2007.

Kozhemiakin, Alexander V. Kanet, and Roger E., eds. *Russia and Its Western Neighbors in the "Near Abroad"*, London: MacmillanPress, 1997.

Kucera, Joshua. "Armenians Hold Mixed Views of Russian Base: Opinion Poll." *Eurasianet*, June 10, 2015. Accessed June 10, 2015.  
<http://www.eurasianet.org/node/73801>

Lehne, Stefan. "Time to Reset The European Neighborhood Policy." *Carnegie Europe* (2014): 3. Accessed May 14, 2015.  
[http://carnegieendowment.org/files/time\\_reset\\_enp.pdf](http://carnegieendowment.org/files/time_reset_enp.pdf)

Leonard, Mark and Popescu, Nicu. "A Power Audit of EU-Russia Relationship." *European Council on Foreign Relations* (2007): 13-16. Accessed April 21, 2015.  
[http://kvartal.europe.bg/upload/docs/eu\\_russia.pdf](http://kvartal.europe.bg/upload/docs/eu_russia.pdf)

Lynch, Dov. "Why Georgia Matters?" *Institute for Security Studies* (2006): 66-68. Accessed April 18, 2015.  
<https://infoeuropa.eurocid.pt/files/database/000036001-000037000/000036733.pdf>

Macdonald, Alastair And Croft, Adrian. "EU defies Russian 'bully' but disappoints ex-Soviets." *Reuters*, May 21, 2015. Accessed May 28, 2015.  
<http://www.reuters.com/article/2015/05/21/us-ukraine-crisis-eu-idUSKBN0062EL20150521>

Maliki-Aliyev, Kamal. "Enforcement of International Law in the Nagorno-Karabakh Conflict." Master Diss., Lund University, 2007. Accessed June 2, 2015.  
<https://lup.lub.lu.se/luur/download?func=downloadFile&recordId=1555213&fileId=1563584>

Marshall, Alex. *TheCaucasus Under SovietRule*, New York: Routledge, 2010,

McGinnity, Ian J. "Selling its Future Short: Armenia's Economic and Security Relations with Russia." CMC Senior Theses diss., Claremont Colleges, 2010.

Merabishvili, Gela. "The EU and Azerbaijan: Game on for a more normative policy?." *Centre for European Policy Studies* (2015): 2-3. Accessed June 13, 2015.  
[http://aei.pitt.edu/63166/1/PB329\\_EU\\_Policy\\_towards\\_Azerbaijan\\_G\\_Merabishvili.pdf](http://aei.pitt.edu/63166/1/PB329_EU_Policy_towards_Azerbaijan_G_Merabishvili.pdf)

Minassian, Gaidz. "Armenia, a Russian Outpost in the Caucasus?." *Russia/NIS Center* (2008): 11. Accessed April 12, 2015.  
[https://www.ifri.org/sites/default/files/atoms/files/ifri\\_RNV\\_minassian\\_Armenie\\_Russie\\_ANG\\_fevr2008.pdf](https://www.ifri.org/sites/default/files/atoms/files/ifri_RNV_minassian_Armenie_Russie_ANG_fevr2008.pdf)

Minassian, Gaitz. "Armenia, a Russian Outpost in the South Caucasus?." *Russia/NIS Center* (2008): 7. Accessed May 5, 2015.  
[https://www.ifri.org/sites/default/files/atoms/files/ifri\\_RNV\\_minassian\\_Armenie\\_Russie\\_ANG\\_fevr2008.pdf](https://www.ifri.org/sites/default/files/atoms/files/ifri_RNV_minassian_Armenie_Russie_ANG_fevr2008.pdf)

Minasyan, Sergei. *Russia and Armenia*. Edited by Karmotüür and Viacheslav Morozov. (2014): 158. Accessed May 5, 2015.  
<http://www.ut.ee/ABVKeskus/sisu/proгноosid/2014/en/pdf/RF2014.pdf>

Minasyan, Sergey. "Russian-Armenian Relations: Affection or Pragmatism?" *PONARS Eurasia Policy Memo* (2013): 2. Accessed April 12, 2015.  
[http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/Pepm\\_269\\_Minasyan\\_July2013.pdf](http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/Pepm_269_Minasyan_July2013.pdf)

Murgul, Yalçın. "Baku Expedition of 1917–1918: A Study of the Ottoman Policy towards the Caucasus." (Master Diss., Bilkent University, 2007), 155. Accessed June 6, 2015. <http://www.thesis.bilkent.edu.tr/0003428.pdf>

Murinson, Alexander. "The Ties between Israel and Azerbaijan." *The Begin-Sadat Center for Strategic Studies* (2014): 28. Accessed April 22, 2015.  
<http://besacenter.org/wp-content/uploads/2014/10/MSPS110-web.pdf>

Nichol, Jim. "Armenia, Azerbaijan, and Georgia: Political Developments and Implications for U.S. Interests." *Congressional Research Service* (2007). Accessed 29 March 2015. <http://fas.org/sgp/crs/row/RL33453.pdf>

Niftiyev, Efgan. "Why Did Russia Support Turkish-Armenian Rapprochement?" *The Washington Review of Turkish & Eurasian Affairs* (2010). Accessed July 20, 2015.  
<http://www.thewashingtonreview.org/articles/turkisharmenian-rapprochement.html>

Nuriyev, Elkhan. "EU Policy in the South Caucasus A view from Azerbaijan." *Center for European Policy* (2007): 3. Accessed April 17, 2015.  
<http://aei.pitt.edu/7544/1/272.pdf>

Nuriyev, Elkhan. "EU Policy in the South Caucasus: The Case of Post-Soviet Azerbaijan." *German Institute for International and Security Affairs* (2007): 17-18. Accessed April 17, 2015. [http://www.swp-berlin.org/fileadmin/contents/products/arbeitspapiere/SWP\\_RP\\_Nuriyev\\_ks.pdf](http://www.swp-berlin.org/fileadmin/contents/products/arbeitspapiere/SWP_RP_Nuriyev_ks.pdf)

Opinion Poll. "Friends and Enemies. How the Population of the Three South Caucasus States Perceives Other Countries." *Caucasus Analytical Digest* (2013): 21-23. Accessed June 16, 2015. <http://www.css.ethz.ch/publications/pdfs/CAD-51-52.pdf>

Ossenbrink, Jan and Stephan, Annegret. "What is the difference between social and natural sciences?. Paper presented at the Doctoral Seminar on 'Research Methodology', University of St. Gallen, ETH Zurich, Fall Semester, 2013.



Paul, Amanda. "The Eastern Partnership, the Russia-Ukraine War, and the Impact on the South Caucasus." *Istituto Affari Internazionali* (2015): 5. Accessed May 16, 2015. <http://www.iai.it/sites/default/files/iaiw1506.pdf>

Pirinççi, Ferhat. "Soğuk Savaş Sonrasında Abd'nin Orta Asya Politikası: Beklentiler ve Gerçeklikler." *Ankara Üniversitesi SBF Dergisi* (2008): 210. Accessed April 21, 2015. <http://dergiler.ankara.edu.tr/dergiler/42/933/11637.pdf>

Punsmann, Burcu G. "Turkey's Interest and Strategies in the South Caucasus." *Economic Policy Research Foundation of Turkey* (2012): 1-2. Accessed April 22, 2015. [http://www.tepav.org.tr/upload/files/1336992403-3.Turkey\\_\\_\\_s\\_Interest\\_and\\_Strategies\\_in\\_the\\_South\\_Caucasus.pdf](http://www.tepav.org.tr/upload/files/1336992403-3.Turkey___s_Interest_and_Strategies_in_the_South_Caucasus.pdf)

Putin, Vladimir. "Annual Address to the Federal Assembly of the Russian Federation." (2005). Accessed May 19, 2015. [http://archive.kremlin.ru/eng/speeches/2005/04/25/2031\\_type70029type82912\\_87086.shtml](http://archive.kremlin.ru/eng/speeches/2005/04/25/2031_type70029type82912_87086.shtml)

Putin, Vladimir. "Speech at Meeting of the Russian-Armenian Interregional Forum." (2013). Accessed May 19 2015. <http://en.kremlin.ru/events/president/transcripts/19733/photos>

Qasimly, Musa. "Britain's Azerbaijan Policy (November 1917 - September 1918)." *Visions of Azerbaijan* (2006): 38-43. Accessed June 4, 2015. <http://www.visions.az/history,151/>

Ratner, Michael, Belkin, Paul, Nichol, Jim, and Woehrel, Steven. "Europe's Energy Security: Options and Challenges to Natural Gas Supply Diversification." *Congressional Research Service* (2013): 5. Accessed April 11, 2015. <https://www.fas.org/sgp/crs/row/R42405.pdf>

Sadowski, Rafał. "Partnership in times of crisis challenges for the Eastern European countries' integration with Europe." *Centre for Eastern Studies* (2013): 13. Accessed May 14, 2015. [http://www.osw.waw.pl/sites/default/files/pw\\_36\\_en\\_partnership\\_net.pdf](http://www.osw.waw.pl/sites/default/files/pw_36_en_partnership_net.pdf)

Sakhonchik, Alena. "The Implications of the Eastern Partnership Program on EU-Russia Relations." *School of International Service, American University* (2013): 4. Accessed May 17, 2015. <http://www.globalinterests.org/wp-content/uploads/2013/10/The-Implications-of-the-Eastern-Partnership-Program-on-EU-Russia-Relations.pdf>

Sargsyan, A. Hess. "Nagorno-Karabakh: Obstacles to a Negotiated Settlement." *Center for Security Studies* (2013): 2. Accessed June 3, 2015. <http://www.css.ethz.ch/publications/pdfs/CSS-Analysis-131-EN.pdf>

Sauvageot, P. Eric. "The Second Energy Crisis in Ukraine in 2009: Russo-Ukrainian Negotiations up to 2010 and the Role of the European Union, Analysis of a Challenge to the EU Diplomacy." *UNISCI* (2010): 1. Accessed June 14, 2015. <http://www.jhubc.it/ecpr-porto/virtualpaperroom/033.pdf>

Shaffer, Brenda. "Iran's Role in the South Caucasus and Caspian Region: Diverging Views of the U.S. and Europe." *SWP Berlin* (2003): 21. Accessed April 22, 2015. <http://belfercenter.hks.harvard.edu/files/shaffer.pdf>

Shaffer, Brenda. "The South Caucasus: A challenge for The EU." *Institute for Security Studies* edited by Dov Lynch (2008): 54-55. Accessed April 21, 2015. <http://www.iss.europa.eu/uploads/media/cp065e.pdf>

Sharashenidze, Tornike. "The Role of Iran in the South Caucasus." *Caucasus Analytical Digest* (2011): 2. Accessed April 22, 2015. <http://www.css.ethz.ch/publications/pdfs/CAD-30.pdf>

Shiriyev, Zaur and Davies, Celia. "The Turkey-Armenia-Azerbaijan Triangle: The Unexpected Outcomes of the Zurich Protocols." *Stratejik Araştırmalar Merkezi* (2013): 191. Accessed April 22, 2015. <http://sam.gov.tr/tr/the-turkey-armenia-azerbaijan-triangle-the-unexpected-outcomes-of-the-zurich-protocols/>

Shiriyev, Zaur. "Challenges for the EU in the resolution of the Nagorno-Karabakh conflict: An Azerbaijani perspective." *European Policy Centre* (2013): 2. Accessed June 12, 2015. [http://www.epc.eu/documents/uploads/pub\\_3587\\_an\\_azerbaijani\\_perspective.pdf](http://www.epc.eu/documents/uploads/pub_3587_an_azerbaijani_perspective.pdf)

Shulga, Dmytro. "Ukraine: Fighting for the European future." *The Foreign Policy Centre* (2015): 36. Edited by Adam Hug. Accessed May 16, 2015. <http://fpc.org.uk/fsblob/1681.pdf>

Sokov, Nikolai. "The Withdrawal of Russian Military Bases from Georgia: Not Solving Anything." *PONARS Policy* (2005): 2. Accessed May 22, 2015. [http://www.gwu.edu/~ieresgwu/assets/docs/ponars/pm\\_0363.pdf](http://www.gwu.edu/~ieresgwu/assets/docs/ponars/pm_0363.pdf)

"The EU's relations with its neighbours A survey of attitudes in the European Union." *Special Eurobarometer*, (2007): 15-39. Accessed April 21, 2015. [http://ec.europa.eu/public\\_opinion/archives/ebs/ebs\\_285\\_en.pdf](http://ec.europa.eu/public_opinion/archives/ebs/ebs_285_en.pdf)

"Trans Anatolian Natural Gas Pipeline Project." *Why TANAP?* Accessed April 22, 2015. <http://www.tanap.com/tanap-project/why-tanap/>

Valiyev, Anar. "Azerbaijan-Russia Relations after The Five-Day War: Friendship, Enmity, or Pragmatism?" *Turkish Policy Quarterly* (2011): 136-137. Accessed May 7, 2015. <http://turkishpolicy.com/article/Azerbaijan-Russia-Relations-after-Five-Day-War-Friendship-Enmity-or-Pragmatism-Fall-2011-640>

Valiyev, Anar. "The Ukrainian Crisis and Implications for Azerbaijan." *Caucasus Analytical Digest* (2014): 11-12. Accessed June 16, 2015. <http://www.laender-analysen.de/cad/pdf/CaucasusAnalyticalDigest67-68.pdf>

Vatanka, Alex. "Iranian Influence in the South Caucasus and the Surrounding Region." *Middle East Institute* (2012): 3. Accessed April 22, 2015. <http://archives.republicans.foreignaffairs.house.gov/112/HHRG-112-FA14-WState-VatankaA-20121205.pdf>

Waal, de Thomas. "Can The 'Medvedev Moment' Be Saved for Karabakh?" *Radio Free Europe* (2011). Accessed May 10, 2015. [http://www.rferl.org/content/medvedev\\_moment\\_saved\\_nagorno\\_karabakh\\_kazan/24279692.html](http://www.rferl.org/content/medvedev_moment_saved_nagorno_karabakh_kazan/24279692.html)

Waal, deThomas. "Azerbaijan Doesn't Want To Be Western." *Foreign Affair* (2014). Accessed June 14, 2015. <https://www.foreignaffairs.com/articles/russia-fsu/2014-09-26/azerbaijan-doesnt-want-be-western>

Watson, Adam. "International Relations & The Practice of Hegemony." *University of Westminster* (2002):1. Accessed July 29, 2015. <http://www.polis.leeds.ac.uk/assets/files/research/english-school/watson-hegemony02.pdf>

Wesselink, Edzard and Boschma, Ron. "Overview of the European Neighbourhood Policy: Its History, Structure, and Implemented Policy Measures." *Project Sharing Knowledge Assets: InteRregionally Cohesive NeigHborhoods* (2012): 7. Accessed May 13, 2015. <http://www.ub.edu/searchproject/wp-content/uploads/2012/02/WP-1.4.pdf>

Woehrel, Steven. "Russian Energy Policy Toward Neighboring Countries." *Congressional Research Service* (2009): 1-2. Accessed April 11, 2015. <http://fas.org/sgp/crs/row/RL34261.pdf>

Yilmaz, Reha. "Bağımsızlık Sonrası Dönemde Rus-Gürcü İlişkileri ve Kırılma Noktaları." *Avrasya Etüdler* (2010): 28. Accessed May 20, 2015. [http://uvf.ulakbim.gov.tr/uvf/index.php?cwid=9&vtadi=TSOS&c=ebsco&ano=122392\\_8a4623b3add0ea47efcd702ddc68ad53&](http://uvf.ulakbim.gov.tr/uvf/index.php?cwid=9&vtadi=TSOS&c=ebsco&ano=122392_8a4623b3add0ea47efcd702ddc68ad53&)

## APPENDICES

### A. TURKISH SUMMARY

Sovyetler Birliđi'nin çöküşünün hemen ardından Güney Kafkasya Avrupa Birliđi ve Rusya Federasyonu arasında bir çekişme alanına çevrilmiştir. Bu iki aktörün bölge üzerindeki çıkarları örtüşmemektedir. Özellikle Avrupa Birliđi'nin bölgeye yönelik geliştirdikleri politikalar bu bölge ile uzun tarihi geçmişe sahip olan Rusya tarafından hoş karşılanmıyor ve buna karşılık olarak kendi tepkisini ortaya koyuyor. Bölgedeki çıkar çatışmalarının her yıl daha da artması Avrupa Birliđi ve Rusya arasında gerginliğin tırmanmasına neden oluyor. Bu tezde Güney Kafkasya üzerinde kendi nüfuzlarını artırmaya çalışan iki ana aktörün temel çıkarları incelenmekte, bu çıkarları elde etmek için geliştirdikleri politikalara bakılmakta ve ardından da bölge ülkelerinin Avrupa Birliđi'nin ve Rusya'nın bu bölgedeki faaliyetlerine olan tepkileri araştırılmaktadır.

Batıdan doğuya Avrupa'yı Asya ile kuzeyden güneye Rusya'yı Orta Dođu ile bağlayan Güney Kafkasya çok büyük stratejik öneme sahiptir. Bölge tarih boyunca dış güçlerin ilgi odağı olmuştur. Hatta bölgenin önemi Güney Kafkasya ülkelerinin bağımsızlığı öncesinden de bilinmekte idi. Tarihin belli bölümlerinden iki aktörden biri bölge üzerinde kendi nüfuzlarını kabul ettirmeyi başarmışlardır. Örneğin, Bolşevik Devrimi sonrasında kısa bir süreliğine egemenliklerini kaybetmelerine rağmen Rusya (Sovyetler Birliđi) yetmiş sene boyunca bölge üzerinde kesin hâkimiyet sürmeyi başarmıştır. Bu zaman dilimi Batı'nın bölgeyle olan ilişkilerin minimuma indiđi devir olarak da anılabilir. Bu yüzden bölge ülkeleri (Azerbaycan, Ermenistan, Gürcistan) geride kalan yüzyılın büyük bir bölümünde Batı ile ilişkiler kuramamıştır.

Genellikle baktığımız zaman Batı'nın bölge ile Rusya kadar derin ve uzun geçmişe sahip ilişkilerinin olmadığını anlamak mümkündür. Buna karşılık, Birinci Dünya Savaşı'nın son yıllarında Bolşevik Devriminin gerçekleşmesi Batı'ya bir fırsat sunmuş

idi. Buna karşılık Rusya’da Bolşeviklerin kısa sürede savaştan galip ayrılmaları Batı’nın bölge ile ilişkilerini geliştirmesini engellemiştir.

Rusya açısında Güney Kafkasya her zaman tampon bölge olarak görülmüştür. Özellikle Çarlık Rusya zamanında bölge İran imparatorluğuna karşı doğal bir savunma işlevi görmekte idi. Çarlık Rusya ve İran imparatorluğu arasında bölge üzerinde birçok savaşa şahit olunmuştur ve bu savaşlar 1828 yılında imzalanan Türkmençay Mukavelesi ile son bulmuştur. Bu mukavele ile İran Kafkasya’nın büyük bir bölümü Rus Çarlığına bırakmak zorunda kalmıştır ve böylece Rusya’nın bölge üzerindeki mutlak hâkimiyeti başlamıştır. Rusya’daki iç savaş zamanı hariç bölge 1991’e kadar Moskova’nın etkisi altında kalmıştır.

Sovyetler Birliği’nin çökmesi Güney Kafkasya ülkelerinin yeniden bağımsızlıklarına kavuşmalarına sebebiyet vermiştir. 1990’ların hemen başında yaşanan kriz Rusya’yı kendi iç işleriyle uğraşmasına ve bu nedenle de bölgedeki gücünün azalmasına yol açmıştır. Bununla birlikte belirtilmesi gereken bir diğer husus da Rusya’nın o dönemdeki dış politikasıdır. Boris Yeltsin’in cumhurbaşkanı olduğu o devirde Rusya yüzünü Batı’ya dönmüş idi.

Avrupa Birliği Sovyetlerin dağılması sonrası bölgede yaşananları takip etmiş ve burada kurulmuş olan devletlerle ilişkiler kurmaya başlamıştır. Fakat yeni kurulmuş olan ülkelerin birbirleriyle veya kendi içlerinde yaşadıkları iç çatışmalar bölgeyi istikrarsızlaştırmıştır. Azerbaycan ve Ermenistan arasındaki Dağlık Karabağ savaşı Rusya’nın da devreye girmesi sonucu 1994 yılında ateşkesle sonuçlanmıştır. Yapılmış olan ateşkese rağmen bu iki ülke arasındaki gerginlik ilk günkü tazeliğini korumaktadır ve bu gerginlik Ermenistan ve Azerbaycan’ın birbirlerinden farklı dış politikalar yürütmelerine sebebiyet vermektedir. Bunun dışında Gürcistan’daki etnik çatışmalar ve bu çatışmalara karşı Rusya’nın tutumu da bu ülkenin kendi çıkarlarını maksimize etmek için farklı dış politikalar tercih etmesine neden olmuştur.

Rusya ve Avrupa Birlięi'nin bölge üzerindeki temel çekişme nedenleri ekonomik ve jeopolitik sebeplere dayanmaktadır. Avrupa Birlięi bölge devletleriyle ilişkilerini geliştirirken Rusya arka bahçesi olarak gördüğü ve uzun tarihi geçmişe sahip olduğı bu bölgeyi dış güçlerle paylaşmaktan hoşnut değildir. Avrupa Birlięi bölgeye yönelik özel politikalar geliştirerek Güney Kafkasya'yı kendi siyasi ve ekonomik etki alanında tutmaya çalışmaktadır. Bununla birlikte, Avrupa Birlięi bölgede 'demokrasi', 'insan hakları' ve 'şeffaf yönetim biçimlerini desteklemektedir. Buna karşılık olarak, Rusya bölgedeki çıkarlarını korumak için Güney Kafkasya ülkelerinin iç ve dış politikalarının çeşitli araçlarla manipüle etmektedir. Rusya'yı Avrupa Birlięi karşısında avantajlı duruma sokan ana faktör bölgede askeri birliklerinin bulunmasıdır. Rusya'nın Ermenistan'da kendi rızası ile Gürcistan'da ise bu ülkenin rızası dışında askeri birlikleri bulunmaktadır. Azerbaycan'da ise askeri birlięinin bulunmamasına karşılık Daęlık Karabaę münakaşasında Rusya'nın önemini dikkate aldığı zaman bu ülkede de Rusya'nın etkin bir güce sahip olduğunu görüyoruz.

Avrupa Birlięi'nin Rusya'ya karşı olan enerji bağımlılığı ve Rusya'nın bu durumdan dış politikasını şekillendirmek için bir araç olarak kullanması Avrupa Birlięi'ni enerji politikasını gözden geçirmeye itmektedir. Güney Kafkasya Avrupa Birlięi'nin Rusya'ya olan bağımlılığını hafifletmek için bir fırsat sunmaktadır. Hazar havzasının zengin doğal kaynakları Avrupa Birlięi'ne yeni enerji pazarları sunmakta ve diğer taraftan da Güney Kafkasya ile geliştirilen ilişkiler sayesinde Avrupa Birlięi Orta Asya'ya ulaşmak için büyük bir fırsat yakalamaktadır. Bunun dışında bölgedeki istikrar ve barışçıl ortam Avrupa Birlięi açısından büyük önem taşımaktadır. Arap Baharı ile birlikte güneydeki komşu ülkelerinde yaşanan istikrarsızlık ve çatışma ortamı Avrupa Birlięi'ni doğudaki komşu ülkelere karşı daha tedbirli olmasını zorunlu kılmıştır. Fakat Avrupa Birlięi Doęu Avrupa'da yaptığı hatanın aynısını Güney Kafkasya'da da yapmaktadır. Şöyle ki, Ukrayna, Beyaz Rusya ve Moldova ile ilişkiler kurduğı zaman Avrupa Birlięi'nin Rusya'nın buradaki nüfuzunu iyi hesaplamadığı görülmüştür ve bunun benzerini de Güney Kafkasya'da gözlemlemek mümkündür.

Avrupa Birliđi'nin bölgeye yönelik politikaları Rusya'nın sadece bölgedeki çıkarlarını baltalamakla kalmıyor Rusya'nın ekonomisini de ciddi risklerle karşı karşıya getiriyor. Avrupa Birliđi'nin kendi enerji politikasını revize etmesi yani Rusya'ya karşı olan bağımlılıđını hafifletme çabaları Rusya'nın enerji politikasına doğrudan bir tehdit oluşturmaktadır. Rusya'nın ekonomisi büyük ölçüde petrol ve gazdan gelen gelirle bağımlıdır ve bu malların büyük bir kısmını da Avrupa Birliđi ülkelerine satmaktadır. Bu yüzden Rusya Avrupa Birliđi'nin enerji çeşitlendirme politikalarını engellemeye yönelik çaba sarf etmektedir. Bu bağlamda Rusya Trans-Hazar Boru hattı gibi projelere karşı çıkıyor bu tür projelerin gerçekleşmemesi için her türlü çabayı gösteriyor.

Ekonomik çıkarları dışında Avrupa Birliđi'nin bölgede demokrasiyi, insan haklarını ve şeffaf yönetimleri desteklemesi de Moskova'yı rahatsız eden bir diğerkonu olarak karşımıza çıkıyor. Avrupa Birliđi'nin bu tür faaliyetler Rusya açısından farklı şekilde yorumlanmaktadır. Moskova'ya göre Avrupa Birliđi Dođu Ortaklıđı gibi politikalar geliştirerek kendi nüfuzunu ve değerlerini bu bölgede yayma uğraşı içerisinde. Bunun da ötesinde Avrupa Birliđi'nin kendi 'değerlerini' bölgede yayması Rusya'nın iç politik sistemine karşı da bir tehdit olarak görölmektedir. Bunlara ek olarak Avrupa Birliđi'nin bölgedeki faaliyetleri Rusya'nın Güney Kafkasya'daki nüfuzunu zedelemektedir. Rusya'nın Gürcistan'la olan kötü münasebetleri diğerkonu olarak bu bölgeye karşı bu ülkeyi daha tedbirliđi olmaya itmektedir.

Güney Kafkasya üzerinde Avrupa Birliđi ve Rusya arasındaki çekişme bölge ülkelerine de bir takım yararlar getirmektedir. Bölgedeki ülkeler bu rekabeti kendi çıkarlarını maksimize etmek için kullanmakta ve özellikle Rusya'nın eskiden beri üzerlerinde hissettikleri etkisinden kurtulmak için bir fırsat olarak görmektedirler. Bununla birlikte Güney Kafkasya ülkeleri kendi aralarında ve iç çatışmalarından dolayı bu rekabeti farklı şekillerde okumakta ve de farklı biçimlerde karşılık vermektedirler.

Avrupa Birliđi'nin Ermenistan ile kurduđu ilişkiler bu ÷lkeye birtakım avantajlar sağlamaktadır. Ermenistan'ın bir kara ÷lkesi olduđunu, zengin dođal kaynaklara ve ciddi bir endüstriye sahip olmamasını göz önünde bulundurursak Avrupa Birliđi'nden gelecek olan ekonomik yardımlar bu ÷lke açısından büyük önem kesp etmektedir. Bunun dışında yapılan anlaşma sonucunda vize kolaylıklarının sağlanması her iki tarafın vatandaşları açısından da önemli bir gelişme olarak gör÷lmektedir. Diđer taraftan, Ermenistan'ın Rusya'nın önderliđini yaptıđı askeri birliđe (Kolektif Güvenlik Anlaşması Örgütü) ve ekonomik birliđe (Avrasya Ekonomik Birliđi) üye olması Ermenistan'ın dış politika seçeneklerini ciddi bir biçimde kısıtlamaktadır. Ermenistan ekonomik açıdan yoğun bir biçimde Rusya'ya bağımlıdır ve bu ÷lkenin desteđi olmadan bölgedeki 'düşmanlarına' karşı olan zayıf pozisyonu daha da tehlikeli bir hal alabilir. Bununla birlikte yukarda da değinmiş olduđumuz gibi Rusya Ermenistan da askeri birlikler bulundurmaktadır ve Ermenistan'ın en kritik sınır hatları Rus askerleri tarafından korunmaktadır. Rusya'nın Ermenistan açısından bir diđer önemi ise Dađlık Karabađ sorunudur. Ermenistan'ın Azerbaycan'a ait bu toprakları savaş yolu ile kazanmış olması Dađlık Karabađ'ı bu ÷lkede hayati bir konuma getirmektedir. Ermenistan bu toprakları hiçbir şekilde geri vermek istemiyor ve Rusya'nın Dađlık Karabađ'ın barışçıl yol ile çözümlenmesi için kurulmuş olan AGİT'in (Avrupa Güvenlik ve İşbirliđi Teşkilatı) Minsk grubunda üç eş başkandan biri olma özelliđini taşıması Ermenistan açısından bu ÷lkenin öneminin bir kat daha artmasına neden olmaktadır. Bu açıdan düşündüğümüz zaman Rusya ve Avrupa Birliđi arasındaki rekabetin şiddetlenmesi Ermenistan açısından yararlı göz÷kmemektedir çünkü böyle bir durumda Ermenistan bu iki taraftan birini seçmek zorunda kalacaktır ki bu da Rusya'dan farklı olmayacaktır.

Azerbaycan açısından Avrupa Birliđi hayati bir öneme sahip değildir. Tabi ki, Avrupa Birliđi 'deđerlerine' sahip olmak her ÷lke tarafından arzu edilen bir şeydir fakat Azerbaycan Avrupa Birliđi ile daha çok dengeli bir ilişki kurma çabasındadır. Örneđin Avrupa Birliđi'nin Ortaklık Anlaşması Azerbaycan tarafından bir tarafın diđer tarafa kendi politikalarını kendi çıkarlarını veya 'deđerlerini' empoze etmesi olarak algılanmaktadır. Bu yüzden Azerbaycan Avrupa Birliđi'nin önermiş olduđu bu



anlaşmayı imzalamaktan yana değildir. Aksine Avrupa Birliği ile eşit taraflar olarak ikili anlaşmalar yapmaktan yanadır. Özellikle Azerbaycan Avrupa Birliği ile enerji ile ilgili (kendi ulusal çıkarları çerçevesinde) projeler geliştirmek arzusu içerisindedir. Bununla birlikte Azerbaycan'ın Avrupa Birliği'nden somut bir beklentisi vardır. Azerbaycan uluslararası hukukun da tanımış olduğu arazilerinin yüzde yirmisini fiili olarak kaybetmiş vaziyettedir. Bu durumun çözülmesi ile ilgili Avrupa Birliği'nden destek beklemektedir. Fransa'nın AGİT'in Minsk grubunda eş başkan olması Azerbaycan için yeterli gözükmemektedir ve Avrupa Birliği'nin Dağlık Karabağ münakaşasında aktif rol almasını beklemektedir. Fakat Avrupa Birliği'nin işgalci bir ülke ile ilişkiler kurması ve Dağlık Karabağ sorununda taraflara karşı eşit mesafede yaklaşması Azerbaycan'ı Avrupa Birliği ile ilgili bazı kuşkulara düşmesine neden olmaktadır. Ayrıca Avrupa Birliği'nin Gürcistan'daki çatışmalarla yakından ilgilenmesi ve Kırım'ın Rusya tarafından ilhak edildiğini sürekli bir biçimde gündeme getirirken Dağlık Karabağ'la ilgili aynı dili kullanmıyor olması da Azerbaycan tarafından çifte standart olarak görülmektedir. Bunun ötesinde Azerbaycan Rusya ile ilişkilerini de kendi dış politika vizyonu gereği sıcak tutma eğilimindedir. Haydar Aliyev yönetiminden beri dış politikada denge politikası olarak yürüten Azerbaycan için Rusya ile ilişkilerini devam ettirmesi çok büyük önem arz etmektedir. Ayrıca bu ülkenin AGİT'in Minsk grubu eş başkanı olması da Rusya'yı Azerbaycan açısından farklı bir konuma getirmektedir. Bütün bunlar göz önüne alındığı zaman Avrupa Birliği'nin ve Rusya'nın Azerbaycan açısından önemli iki aktör olduğunu görmek mümkündür ve bu iki aktör arasında tırmanmakta olan gerginlik denge politikası izleyen Azerbaycan'ı çok ciddi bir şekilde etkilememesinin yanı sıra bu ülkeye bir takım avantajlar getirmektedir.

Gürcistan açısından da bölge üzerindeki etki alanı kurma çabaları iyi karşılanmaktadır. Gürcistan'ın bağımsızlığından beri iyi seyretmeyen Rusya ilişkileri Gül Devrimi ile birlikte daha da zayıflamış ve Gürcistan'ın dış politikada izleyeceği yol açıklık kazanmıştır. Gürcistan yüzünü tamamıyla Batı'ya çevirmiş ve ülkenin geleceğinin Batı'da olacağına inanmıştır. Hatta 2014 yılında Avrupa Birliği ile Ortaklık Anlaşmasını imzalayan tek Güney Kafkasya ülkesi olmuştur. Ülke, sahip olduğu zayıf

ekonominin yanı sıra bir sıra iç çatışmalara sahip olmuştur. Doğal zengin kaynaklara sahip olmayan bu ülke Rusya ile ilişkilerinde kötüleşme yaşadıkça Avrupa Birliğine yaklaşmıştır. 2008 yılında Rusya'nın kendi topraklarına girmesi ve savaş sonrası geri çekilirken Gürcistan'ın uzun zamandır sıkıntılı olan bölgelerinin (Güney Osetya ve Abhaziya) bağımsızlıklarını tanıması bu iki ülke arasındaki ilişkileri minimuma indirmiştir. Bu yüzden Avrupa Birliği ve Rusya arasındaki rekabet Gürcistan'ın Avrupa Birliği ile bütünleşme sürecini hızlandırıcı bir araç olarak görülmekte ve bu yüzden arzu edilen bir durum olarak görülmektedir.

## A. TEZ FOTOKOPİSİ İZİN FORMU

### ENSTİTÜ

Fen Bilimleri Enstitüsü ☐

Sosyal Bilimler Enstitüsü ☐

Uygulamalı Matematik Enstitüsü ☐

Enformatik Enstitüsü ☐

Deniz Bilimleri Enstitüsü ☐

### YAZARIN

Soyadı : Muradov

Adı : İbrahim

Bölümü : Avrasya Çalışmaları

**TEZİN ADI** (İngilizce) : THE COMPETITION BETWEEN THE EUROPEAN UNION AND THE RUSSIAN FEDERATION OVER THE SOUTH CAUCASUS AND ITS IMPLICATIONS

**TEZİN TÜRÜ** : Yüksek Lisans ☐ Doktora ☐

1. Tezimin tamamından kaynak gösterilmek şartıyla fotokopi alınabilir. ☐
2. Tezimin içindekiler sayfası, özet, indeks sayfalarından ve/veya bir bölümünden kaynak gösterilmek şartıyla fotokopi alınabilir. ☐
3. Tezimden bir bir (1) yıl süreyle fotokopi alınamaz. ☐

**TEZİN KÜTÜPHANEYE TESLİM TARİHİ:**